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THE DANUBE RIVER AND ITS CONTROL SINCE 1938

Control since 1938

Description

This paper describes the topography of the Danube River, its traffic, ports and port facilities, the shipping interests on the Danube, the operation of the Danube Commissions from 1938-1944, and the interests of the various powers in the Danube.

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SUMMARY

1. This paper presents data on the topography of the Danube River, its traffic, ports and port facilities, the shipping interests operating on the river, the international organization of the river, and the interests therein of riparian and certain non-riparian powers. The data have been selected with a view toward preparing recommendations relative to the interests of the United States in a possible internationalization of the river.

2. The feasibility and form of internationalization, clearly, are dependent upon the topography of the river, its canal connections, its navigability, and the seasonal variations in flow (Chapter I).

3. The analysis of shipping interests (Chapter III) may make it possible to determine whether international cooperation is necessary for the development of the river. Primarily concerned with the description of the Danubian fleets of the several powers, this chapter indicates the role of cartelization and the present monopolistic position of the Göring Combine in control of shipping and traffic. Any proposal for international organization will require the elimination of the German monopoly, which, however, does not necessarily preclude the maintenance of cartel arrangements. It is shown that the physical and financial requirements for operations on the river militate against the successful operation of small unaffiliated companies.

4. The discussion of the international organization of the Danube (Chapter IV) falls into two parts, divided by the ascendancy of Nazi Germany in the area. Some form of international control of river operations has been known since the middle of the nineteenth century, but the conflicting national interests of the several nations hindered the most

effective development of the controls. The idea of international cooperation on the Danube, therefore, is firmly established, although the institutions through which it operated have frequently proved unsatisfactory.

Predating the present war, three commissions were concerned with operations along the river: the International Danube Commission; the European Danube Commission; the Danube Hydraulic Commission. The war and the consequent domination and manipulation of these agencies by Germany have not destroyed the commission idea. The activities of such international institutions in the river region show that there are many problems which can be successfully solved only by international cooperation. This principle is particularly applicable in the instance of major works on the river, for the equable supervision of river activities, and for the establishment of uniform regulations concerning policing, rules of navigation, customs and sanitation formalities, and other matters.

The limiting effects of conflicting national interests were most noticeable on the fluvial Danube, where the International Danube Commission was unable to take action in matters not directly concerned with navigation. This factor was not as apparent in the case of the Maritime Danube, where the European Danube Commission was an independent body, although the exercise of its powers have frequently come in conflict with Rumanian national interests.

A lack of balance between the powers of the two main bodies has, moreover, hindered uniform regulation for the whole river, even for the problems over which both Commissions had authority. The history of the Commissions demonstrates, furthermore, the great part that international politics has played, both in the development of the organizations and in their day-by-day activities. In the final analysis, the intense nationalism of the riparian states has been the factor that has mitigated largely the effectiveness of international cooperation along the entire course of the river.

5. The interest of the nations in the Danube may be geared either to their role as riparian states or to their economic and political interests in the region. The smaller riparian countries regard the Danube as an artery of transportation and as a means of trade with neighboring states and the outside world. The interests of the big powers (Great Britain, France, Russia primarily) in the river as such have been in terms of freedom of navigation, technical improvements, etc. Sometimes river control has been used as a means of exerting political influence over a small riparian state. Russia, prior to the war, had small economic interests in the river, although her political interests in the area were great. Russia, it can be assumed, will exercise its newly gained influence in the region to prevent the domination of any single power there. She will be particulary interested in removing Germany from a dominating role.

Britain's interest has always been more economic than political, and her main concern has been in developing trade with and investments in the Danubian countries. She has sought to protect these interests by developing and controlling river shipping. Britain may be expected to acknowledge Russian political influence so long as her economic interests remain safeguarded by continued accessibility of the region economic penetration. France, on the other hand, will have to cede more than any other among the post-war big powers with interests in the Danube region. Her political influence among the countries of the Little Entente was great, her commerce considerable, her loans and investments heavy. It is unlikely, however, that Russia would be willing to allow any non-Danubian country to maintain political influence in the river region by either political or economic means. A France ready to forego its former political influence could probably expect the development of purely economic activities in the post-war period in the Danube area.

6. American interests have been largely absent in the Danube region. This country has never been represented in any schemes, treaties or agreements relating to the international control of the river. Political interests have been no greater than economic, and whenever the United States has been interested in European politics attention was centered more in the Atlantic West than the Danubian Southeast.

THE DANUBE RIVER AND ITS CONTROL SINCE 1938

I. TOPOGRAPHY

A. General

The Danube is the longest river and navigable waterway in Europe west of the Soviet Union. In all of Europe it is surpassed only by the Volga. In length, drainage area, and volume of water it exceeds the Rhine, although the latter has a greater volume of traffic and offers greater ease of navigation.

From its source to the Black Sea the Danube has a total length of 2,850 kilometers.

The actual distribution of river bank, however, among the riparian states is shown below in terms of distance along each bank:

	Right bank Km.	Left bank Km.	Total Km.	Percent
Germany	637	657	1,294	22.68
Austria	350	330	680	11.98
Czechoslovakia	-	172	172	3.01
Hungary	428	256	684	11.99
Yugoslavia	591	362	953	16.70
Bulgaria	397	-	397	6.96
Rumania	449	1,075	1,524	26.74
Total			5,704	100.00

It is important to observe that only two of the riparian states border on a single bank of the river.

The distribution of the Danubian drainage basin by countries is given below. Three non-riparian states, Switzerland, Italy and Poland, have about 2 percent of the Danubian drainage basin within their borders.

	Sq. km.	Percent
Germany	55,516	6.79
Austria	83,868	10.26
Czechoslovakia	95,000 (est.)	11.63
Hungary	93,073	11.39
Yugoslavia	176,980	21.66
Bulgaria	40,313	4.93
Rumania	255,250 (est.)	31.25
Other countries	17,000 (est.)	2.08
Total	817,000	100.00

B. The Danube River System

The Danube River is usually divided into three sections: the Upper Danube from the source to Bratislava; the Middle Danube between Bratislava and the Iron Gates; the Lower Danube from the Iron Gates to the Black Sea. The Lower Danube also includes the Maritime Danube, which begins at Braila.

1. The Upper Danube. The Danube rises on the eastern slopes of the Black Forest (Schwarzwald), and runs in a northeasterly course to Regensburg. At Regensburg the Danube swings to the southeast, past Deggendorf and Passau, and thence to the Austrian frontier. In Germany the important tributaries are the Iller, Lech, Isar, and Inn Rivers, all of which, though not navigable, rise in the Alps and maintain from melting snow a steady flow of water even when rains cease in summer. Below Passau the stream flows through the so-called Passauerthal, a deep narrow valley (seventy km. long) to Linz, a road and rail junction in Austria. At Grein the valley narrows again and forms the Greiner Struden, a stretch of rapids and whirlpools. Below the Greiner Struden the valley widens to form the Vienna Basin. Important tributaries in the Austrian portion are the Enns, Traun, and Morava; the last is navigable, and forms part of the boundary between Austria and Czechoslovakia.

2. The Middle Danube. Just above Bratislava the Danube leaves the Vienna Basin by way of the Carpathian Gap and enters the Hungarian Plain. It forms the boundary between Czechoslovakia and Hungary east of Esztergom, where it turns south and enters purely Hungarian territory. In its course through Hungary and Yugoslavia the gradient of the stream is very low (Table 1). As a result the stream divides into a number of channels that require constant dredging or regularization for uninterrupted navigation. South of Budapest the

course of the stream meanders, and a number of artificial cuts have been made through loops to shorten the travelling distance. Below Mohacs the Danube leaves Hungary and enters Yugoslavia. At Vukovar, below the confluence of the Drava, the stream resumes its generally eastward course. Between Novi Sad and Belgrade the Tisza joins the Danube. This important tributary rises in the Carpathians, and drains the major part of the great Danubian Plain. It is navigable upstream to Szolnok (328 km.) in Hungary. At Belgrade the Danube is joined by the Sava, which rises in the Julian Alps and drains a large part of western Yugslavia. Navigation by steamer is possible to Sisak, 597 kilometers from Belgrade. The last major tributary in the middle Danubian region is the Morava, whose valley, together with that of the Vardar, is the historic route between the Aegean coast and the Danube Basin.

Table 1. DANUBE: SPEED OF CURRENT IN VARIOUS SECTIONS

Section	Rate of flow in meters per second
Regensburg-Passau	1.10
Passau-Vienna	2.20
Vienna-Gönyu	2.10
Gönyu-Moldava	0.95
Moldava-Drencova	2.00
Drencova-Orsava	4.00
Orsava-Turnu Severin	4.50
Turnu Severin-Galati	0.80

3. The Lower Danube. Between Bazias (Yugoslavia) and Turnu Severin, the Danube flows in the narrows that it has worn through the mountain ridge that formerly joined the Carpathian Mountains in the north with the Balkan Mountains in the south. The Iron Gates sector is a part of the mountain region of the Danube, and is the most difficult for navigation. Below the Iron Gates, 955 kilometers from the sea, the Danube is only thirty-seven meters above sea level. The gradient of the stream is gentle and rather uniform throughout this distance. And as in the Danubian Plain, the water

course in this stretch divides into a number of channels, and forms, especially on the Rumanian bank, a maze of mud flats and swamps. Although the north bank is unfavorable for port sites, they have been developed here to a far greater extent than along the Bulgarian side where natural handicaps are few.

At Cerna Voda, fifty kilometers from the Black Sea, the Danube bends to the north and maintains this course to Braila and Galati, the heads of maritime navigation.

The principal affluents from the north are the Jiul, Oltul, Arges, Ialomita, Siret, and Prut Rivers, which drain in part the eastern and western slopes of the Carpathians in Rumania. From the south the Danube is joined by the Isker and Yantra Rivers, which rise in the Balkan Mountains.

4. The Maritime Danube. At Galati the Danube turns to the east, and continues as a single channel for almost fifty kilometers, at which point it divides into three channels. From north to south these are the Chilia, Sulina, and St. George Branches. The Chilia Branch discharges sixty-seven percent of the Danubian outflow, while the Sulina and St. George Branches discharge nine and twenty-four percent respectively. Not only does the Danube change in volume in different seasons, but it also brings down such great quantities of mud and silt from the mountains that the channels of the delta are constantly subject to silting. The Sulina Branch is now the principal channel, and because it is not subject to such extensive silting as the other branches, it has been regularized to accommodate oceangoing vessels up to 4,000 tons. As the delta region is swampy and liable to inundation, the principal maritime ports have been developed at points upstream.

C. Navigability.

The present head of navigation on the Danube is Ulm, Germany, the upstream limit of the International Danube Commission's jurisdiction. Craft of 125-ton capacity can ply the course from Ulm down to Regensburg. The completion of the Vilshofen dam and locks (near Passau) has made it possible for 1,000-ton barges to ascend to Regensburg. This has enhanced the importance of Regensburg, and has made it the head of commercial navigation. The Danube in Germany (Regensburg-Passau) has a year-round channel depth of two meters. In the Austrian Danube the chief difficulty is the Greiner Struden, where a narrow channel and reefs limit traffic to a one-way movement, and prohibit night travel. The projected dam and locks at Ybbs, a short distance below Grein, would eliminate most of the hazards in this stretch. Below Bratislava the gradient is gentle, and as a result the stream breaks up into a number of channels which are constantly changing in depth. The absence of a truly fixed channel and proper shore and channel lights prohibits night travel during the season of low water and necessitates pilotage during the day.

The Iron Gates sector is the principal hazard in Danubian water transport. No less than five consecutive channels have been blasted out of various sections of the stream bed. In spite of this construction, it is generally admitted that navigation in this section is far from ideal. The current is dangerously swift, and reefs during periods of low water may hold up large barges and self-propelled craft for days. Barge fleets moving upstream must reduce the number of vessels in tow and require the assistance of locomotives in negotiating the most difficult sections. Night navigation is not possible in certain portions of the Iron Gates sector, and while such hindrances do not seriously affect the normal volume of traffic, they do result in high operational costs. A number of remedies have been suggested, the most feasible one being a dam at the downstream entrance to the Iron Gates, which would supply the necessary depth of water at all seasons and remove the danger of the swift current. It is believed that the electric power developed in connection with the project would defray the cost of construction.

Navigational difficulties encountered in the section below the Iron Gates are similar to those prevailing in the Hungarian and Yugoslavian stretches.

D. Seasonal Variations in Flow

In the Upper Danube the highest water levels occur in June, coincidental with the maximum melting of snow fields in the Alps, and the lowest levels are experienced in January. Eastward the highest levels are influenced by spring rains and lowland thaw. In the Danubian plains May is the time of highest water, while Rumania experiences highest water during April and May. The Danube through the Hungarian Plain and in Rumania has its mimimum flow in September. The annual flow at Tulcea in the Danube Delta ranges from 2,000 to 35,000 cubic meters per second. The average flow of the Danube at selected points is as follows:

	Width (meters)	Annual average flow (Cubic meters per second)
Ulm	70	-
Passau	200	730
Vienna	300	1,600
Budapest	560	2,300
Iron Gates	-	5,840
Galati	900	-
Tulcea	-	7,230

The problem of providing adequate levels of water for navigation during the ice-free season is closely bound up with flood and erosion control; there is no real shortage of water during any of the seasons.

Control of headwaters, the key to these problems, involves a host of national interests in the fields of power development, forestry, and land utilization, and has up to the present been beyond the jurisdiction of the International Danube Commission.

E. Ice

The severe winters prevailing in the Danube Basin interrupt inland navigation on an average of sixty-five days per year. Conditions vary from year to year, and interruptions as long as ninety days are not uncommon. Icing conditions also vary from place to place and account for a difference in the various sectors of twenty-two days per year when traffic is interrupted. The average number of days of interruption due to ice conditions in the various sections of the Danube are as follows:

German Danube	71 days
Austrian Danube to Vienna	58
Vienna to Bratislava	51
Hungarian and Yugoslavian Danube	59
Iron Gates Region	29
Orsava to Sulina	39

Although the number of days when the river is sheeted by fast ice is far less than indicated by the above figures, the greatest danger arises from drifting ice, which with a fast flowing current is very hazardous for river craft. During such periods vessels must anchor at winter ports or shelters free from drifting ice, and can resume navigation only after the channel is cleared. At present the whole Danubian watercourse suffers from inadequate winter shelters. It has been estimated that winter harbors, in order to secure minimum protection, should be spaced no less than sixty kilometers apart. At present the average distance is much greater, and in some places, particularly in the Hungarian Danube, they may be as high as two hundred kilometers apart. The problem is further complicated by the fact that many of the winter harbors are privately and not publicly owned, and that, therefore, technical considerations aside, financial considerations play an important role in the lay-over of craft during the winter months.

F. Canals

1. Existing Canals. The only canals of significance in the Danube Basin are located in the Banat. The Kral Petar Canal branches from the Danube at Batina, a few kilometers south of the Yugoslav-Hungarian border, and runs east past Sombor, joining the Tisza River at Stari Becej. It has a total length of 123 kilometers. The Kralja Alexsandre Canal branches from the Kral Petar Canal at Mali Stapar and runs southeast to join the Danube at Novi Sad. Both canals are inadequate in terms of modern requirements and are limited to barges up to six hundred tons in capacity. They are used primarily in the local grain trade.

2. Proposed Canal Connections. The area served directly by the Danube waterway system is effectively limited by poor connections between the producing areas which lie within the basin and the consuming areas, which for the most part lie beyond. Ever since the middle of the nineteenth century, various plans have been proposed to link up the Danube with the German waterways system.

A Rhine-Neckar-Danube project foresees a route by way of the Neckar River to Stuttgart and a canal over the Schwäbische Alb to Ulm. The Neckar has been canalized to Heilbronn, and work has been underway to carry the deep water channel to Stuttgart. Since the Reich has given its official endorsement and financial support to the alternative plan of a Rhine-Main-Danube waterway, it is unlikely that the Neckar connection will be carried beyond Stuttgart.

The Rhine-Main-Danube waterway will follow the general course of the old Ludwig Canal, which provides a water connection for small craft between the Danube and the Main. The proposed route ascends the Main to Bamberg and then the Pegnitz to Nürnberg. Beyond Nürnberg the canal will cut across the Schwäbische Alb to join the Altmühl and will follow this stream to Kelheim on the Danube. The deep water channel has been completed in the Main to Würzburg, while considerable work has been accomplished between Würzburg and Bamberg. The difficult stretch over the mountains, however, is scarcely beyond the preliminary engineering stage.

The Main and Neckar projects are designed to achieve the same goal: to provide a cheap all-water route for coal and for finished and semifinished iron and steel goods from the Ruhr and the Rhineland into Bavaria and Austria, for processing or for direct shipment into Danubian countries. In return, Germany and Austria would be in a better position to buy and to transport cereals and mineral raw materials from these countries.

A third project is the Elbe-Oder-Danube Canal, on which work has scarcely been begun. It would leave the Oder at Kosel in Germany, cut through the Moravian Gate to Prerov, and then join the Morava River, which enters the Danube below Vienna. The connection with the Elbe would require the construction of a canal from the Elbe-Moldau junction to Pardubice, and eastward to Prerov. This water route would provide cheap transport into the Danubian lands for coal and for industrial and chemical manufactures from both the German central and the Upper Silesian industrial regions.

Other great projects concern the lower Danube. Proposals have long been under way for cutting a canal between the Lower Danube and the Black Sea. It would begin at Cerna Voda and run 50 kilometers east to the port of Constanta. Besides the saving of travelling time, the canal would lead to the only ice-free port of Rumania.

Shortly before the outbreak of the war Rumania and Poland held official discussions on a canal to connect the Prut and Vistula rivers. This connection anticipates a flow of Polish industrial goods in exchange for Rumanian oil and wheat.

II. TRAFFIC AND OPERATIONS

A. Fluvial Danube

1. Volume of Traffic

a. Prior to the War. In 1936 the total volume of unduplicated domestic and foreign traffic on the Danube exceeded 7,500,000 metric tons.[1] It was quite evenly divided between domestic and foreign traffic (Table 2).

The waterway was clearly of relatively greatest importance to the three principal states in the Middle and Lower Danube plains; Hungary, Yugoslavia, and Rumania. The greater part of the traffic was domestic within each country, presumably therefore moving relatively short distances (but no specific data on distance transported is available). There was also a considerable foreign traffic to and from these countries, particularly from Rumania, and most of the foreign traffic moved upstream. While some of this moved only short distances, between adjacent countries, a considerable amount was evidently shipped long distances, particularly to Czechoslovakia and Austria, some also to Germany.

In general the use of traffic on the Danube through these three countries -- i.e., from above Budapest to Braila-Galati -- was much greater than the traffic on most of the individual rail lines in the area, though it is doubtful if it was as large as that on the major trunk line across Hungary to Belgrade.

The most striking feature about the traffic on the Lower Danube is the small use of the river by Bulgaria; nearly half of the small total consists of traffic from neighboring Rumania. The narrow belt of river plain and the northern slopes of the Balkan ridge constitute a tributary area of low productivity and few important towns. The important parts of Bulgaria are essentially remote from the Danube.

The Upper Danube is clearly of minor importance, except for receipts from the Middle and Lower Danube. The stretch from Bratislava through Vienna to Regensburg was probably about as important for freight

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[1] Unless otherwise indicated all references are to metric tons.

as the average rail route in the area. Particularly striking is the relatively low use of the river in the trade of Czechoslovakia. The total traffic of a million tons -- largely receipts of grain, oil, and timber from Yugoslavia and Rumania -- does not indicate that access to the river at Bratislava was of great importance.

In toto, the data indicates that it was only for Hungary, Yugoslavia and Rumania that traffic in the Danube was normally of national importance.

On the other hand, the reports of greatly increased use of the river during the present was (for which specific data are not available) indicate that its potential economic importance may be far greater than pre-war use indicated. It is impossible to determine whether this increased use represents economic utilization that could be continued in peace-time or whether it represents overflow from railroads temporarily unable to handle the greatly increased burden placed upon them. In any case, the presence of such a potential means of transportation available in time of need is an asset of some importance to all the countries concerned.

Table 2. DOMESTIC AND FOREIGN TRAFFIC ON THE DANUBE, 1936

(thousands of metric tons)

Germany

	Tons	Percent
Domestic	40	3.5
Foreign with:		
Austria	180	15.8
Czechoslovakia	20	1.8
Hungary	320	28.2
Yugoslavia	280	24.7
Bulgaria	35	3.1
Rumania	260	22.9
Total foreign	1,095	96.5
Total	1,135	100.0

Austria

	Tons	Percent
Domestic	180	13.9
Foreign with:		
Germany	180	13.9
Czechoslovakia	23	1.8
Hungary	330	25.4
Yugoslavia	160	12.3
Bulgaria	16	1.2
Rumania	410	31.5
Total foreign	1,119	86.1
Total	1,299	100.0

Czechoslovakia

	Tons	Percent
Domestic	50	5.0
Foreign with:		
Germany	20	2.0
Austria	23	2.3
Hungary	90	8.9
Yugoslavia	300	29.8
Bulgaria	55	5.4
Rumania	470	46.6
Total foreign	958	95.0
Total	1,008	100.0

Hungary

	Tons	Percent
Domestic	1,200	47.6
Foreign with:		
Germany	320	12.7
Austria	330	13.1
Czechoslovakia	90	3.6
Yugoslavia	115	4.6
Bulgaria	15	.6
Rumania	450	17.8
Total foreign	1,320	52.3
Total	2,520	100.0

Table 2. (cont'd)

Yugoslavia

	Tons	Percent
Domestic	1,300	55.1
Foreign with:		
Germany	280	11.9
Austria	160	6.8
Czechoslovakia	300	12.7
Hungary	115	4.9
Bulgaria	5	.21
Rumania	200	8.5
Total foreign	1,060	44.9
Total	2,360	100.0

Bulgaria

	Tons	Percent
Domestic	5	2.3
Foreign with:		
Germany	35	16.4
Austria	16	7.5
Czechoslovakia	55	25.7
Hungary	15	7.0
Yugoslavia	5	2.3
Rumania	83	38.8
Total foreign	209	97.7
Total	214	100.0

Rumania

	Tons	Percent
Domestic	1,000	34.8
Foreign with:		
Germany	260	9.0
Austria	410	14.3
Czechoslovakia	470	16.4
Hungary	450	15.7
Yugoslavia	200	7.0
Bulgaria	83	2.8
Total foreign	1,873	65.2
Total	2,873	100.0

Table 2. (cont'd)

Summary

	Domestic		Foreign			
			Shipments		Receipts	
	Tons	Percent	Tons	Percent	Tons	Percent
Germany	40	1.1	450	11.8	645	16.9
Austria	180	4.8	219	5.8	900	23.6
Czechoslovakia	50	1.3	240	6.8	718	18.8
Hungary	1,200	31.8	585	15.3	735	19.3
Yugoslavia	1,300	34.4	642	16.8	418	10.9
Bulgaria	5	.1	51	1.3	158	4.1
Rumania	1,000	26.5	1,630	42.7	243	6.4
Total	3,775	100.0	3,817	100.0	3,817	100.0

	Tons	Percent
Domestic Traffic	3,775	49.7
Foreign Traffic	3,817	50.3
Total	7,592	100.0

Table 3. COMPARISON OF TRANSPORTATION ON THE DANUBE WITH RAIL PERFORMANCE, 1936

(thousands of metric tons)

Country	Rail	Water	Total	Percentage transported by water
Germany	452,400	1,135	453,535	.3
Austria	27,700	1,299	28,999	4.5
Yugoslavia	16,800	2,360	19,160	12.3
Rumania	25,700	2,873	28,573	10.1
Czechoslovakia	68,500	1,008	69,508	1.5
Hungary	20,515	2,520	23,035	10.9
Bulgaria	4,620	214	4,834	4.4
Total	616,235	11,409	627,644	1.8
Total (excl. Germany)	163,835	10,274	174,109	5.9

Commodity movements on the Danube presented the following general pattern:

Upstream -- Cereals, petroleum and its products, copper, ore, and agricultural products in general.

Downstream -- Manufactured and industrial products, fertilizers, sugar and salt.

b. War Developments. During the years since the outbreak of hostilities, the requirements of war economy have brought about considerable changes in commodity movements. Rumanian grain (ca. 3,800,000 tons) and oil (ca. 1,700,000 tons), which before the war had been sent out by sea, grain from Bulgaria (200,000 tons), from Serbia (400,000 tons), from Hungary (1,500,000 tons), as well as 100,000 tons of copper ore from Serbia and 300,000 tons of bauxite from Hungary, or an estimated total of 8,000,000 tons of varied commodities moved upstream to supply the war machine of Germany. During 1942, downstream traffic consisted primarily of troops and war material for the campaign in the Caucasus.

The war waged in the Balkan theater played havoc with Danubian traffic. In the post-hostilities period resumption and development of the flow of traffic on the Danube will depend not only on the state of repair of river equipment and facilities, but also on the conditions of other modes of transportation and on political and economic arrangements.

2. Distribution of Traffic by Flag. The estimated distribution of Danubian traffic by flag of the carrier in 1936 is shown in Table 4. The important position of Yugoslavia may be explained by the fact that her domestic traffic was high and that most of her foreign traffic was hauled in her own vessels. Over eighty-seven percent of the total Danube traffic was handled by companies owned by riparian interests, while non-riparian carriers hauled about twelve percent of

Table 4. PERCENTAGE OF WATER-BORNE TRAFFIC OF THE DANUBIAN COUNTRIES BY THE NATIONALITY OF FLEETS, 1936

Flag	Traffic of Individual Countries							Total traffic
	Germany	Austria	Czechoslovakia	Hungary	Yugoslavia	Bulgaria	Rumania	
Riparian:								
Germany)	)		.7	14.0	1.8	4.9	13.5	12.1
Austria)	87.6)	71.0	1.5	16.8	2.9	44.4	15.6	17.1
Hungary)	)		4.8	10.5	1.9	16.8	9.1	9.6
Czechoslovakia	7.5	10.2	37.6	8.8	1.7	5.2	7.2	9.4
Yugoslavia		7.9	24.9	19.9	88.6	2.2	15.8	29.8
Bulgaria			2.1	-		5.0	-	.3
Rumania			28.4	10.2	1.7	9.6	17.2	9.6
Total Riparians	95.1	89.1	100.0	80.2	98.6	88.1	78.4	87.9
Non-Riparians								
Great Britain				6.6	-		6.4	3.1
Belgium				1.1			-	.2
France				3.7	.6		6.1	2.5
Greece				1.0			-	.2
Netherlands	4.9	7.4		7.4	.3	3.8	9.1	5.4
Total Non-Riparians	4.9	7.4		19.8	.9	3.8	21.6	11.4
Undifferentiated		3.5			.5	8.1		.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

the total traffic. If domestic traffic, which was hauled almost exclusively by riparians, were discounted, foreign flags would amount to about twenty percent of the total cargo transported.[1]

(Such developments as resulted from changes in the corporate structure of the carriers during the war are discussed in Chapter V.)

3. Ports and Port Facilities. With the exception of the German, Austrian, and Czech ports on the Upper Danube, Budapest on the Middle Danube, and Giurgiu and the maritime ports on the Lower Danube, port facilities are poorly developed. Many points listed as ports are little more than pontoons or loading platforms lacking mechanical equipment for the transfer of goods. Most Danube barges are equipped with cranes, but most of these have to be manually operated. Bunkering facilities, few in number, whether for coal- or oil-burning craft, are usually owned by shipping companies and are not accessible to unaffiliated operators. As a result, the pay load is reduced by the necessity for transporting bunker fuel.

The proportion of foreign and domestic freight tonnage handled in 1936 by each port to the total tonnage handled in all of the ports is shown in Table 5. A breakdown of traffic handled in Rumanian fluvial ports are: Giurgiu, Oltenita, and Cerna Voda. Fluvial traffic handled in Rumanian maritime ports is given in the section on maritime traffic (Tables 6 and 7).

During the war the traffic handled by German, Austrian and Czech ports has greatly increased. This is especially true of the ports at Regensburg, Linz, Vienna, and

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[1] These estimates, it should be noted, are based on tonnage alone, and do not take into account actual performances, which are best expressed in ton-kilometers. Data on ton-kilometers performance are not available.

Table 5. PERCENTAGE DISTRIBUTION OF FREIGHT TONNAGE HANDLED IN THE DANUBIAN PORTS, 1936
(estimated)

Country and its ports	Percent of tonnage handled in all Danubian ports	
Germany		
Regensburg	6.32	
Passau	.92	
Deggendorf	.25	
Other ports	.21	
Total		7.70
Austria		
Obermühl	.16	
Aschach	.15	
Linz	1.77	
Grein	.53	
Spitz	.14	
Vienna	6.56	
Other ports	.49	
Total		9.80
Czechoslovakia		
Bratislava	4.83	
Komarno	1.18	
Other ports	.89	
Total		6.90
Hungary		
Danube ports:		
Baja	.59	
Budapest	11.25	
Ujpest	.51	
Dunakeszi	1.84	
Győr	.46	
Komarom	.34	
Mohacs	2.50	
Szigetmonostor	.59	
Szob	.32	
Visegrad	.32	
Other ports	4.07	
Tisza ports:		
Csongrad	.39	
Szeged	.66	
Szolnok	.59	
Other ports	.07	
Total		24.50

Table 5. (cont'd)

Country and its ports	Percent of tonnage handled in all Danubian ports	
Yugoslavia		
Belgrade	6.12	
Belisce (Bilece)	.60	
Bosanska Gradiska	.50	
Kostolac	.65	
Novi Sad	1.04	
Novi Vrbas	.58	
Pancevo	.53	
Petrovgrad (Veliki Beckerek)	.60	
Sisak	.65	
Sestilovac	.63	
Zemun	.70	
Other ports	11.50	
Total		24.10
Bulgaria		
Vidin	.15	
Lom	.31	
Orekhovo	.19	
Ruschuk	.50	
Other ports	.35	
Total		1.50
Rumania		25.50
(No port break-down available)		
TOTAL		100.00

Bratislava, where mechanical facilities for handling freight have been expanded by the Germans.

4. Operational Problems. The natural and organizational handicaps in Danubian navigation have served to raise the costs of water transport far above those prevailing on the Rhine. Pilotage, the long ice season, the lack of navigational aids for night operation, low water, the lack of adequate port and bunkering facilities, and a sparsity of winter havens constitute the chief difficulties and are naturally reflected in high operating costs. In 1939 the average barge in the Danube spent about half the year in lying over, while it was not unusual for some barges to spend only a third of the year in travelling. An additional factor is the large number of men required to operate each barge train on the Danube. This factor is reflected to an even greater degree by the high percentage of salaries and wages (seventy-three percent) in operating costs. By way of contrast, on the Rhine, where wages are higher, salaries and wages constitute only sixty-three percent of the cost.

All things considered, the navigational hindrances in the Danube are such that only large organizations, either heavily capitalized or aided by government subsidy, have been able to survive. This is in contrast to the inland shipping industry of the Rhine, where over fifty percent of the barges are owned by "Partikularschiffer," as the individual owner-operators are known. The Dutch owner-operator, for example -- he may have only one barge -- can ply the Rhine and deliver his cargo to German, French, or Swiss ports without discrimination or financial disadvantage. Winter harbors or shelters in time of ice or flood are just as much at his disposal as they are to the large navigation company with a hundred vessels in its fleet. The channels are well marked and navigational aids are kept up-to-date.

Aside from pilotage through the Rhine narrows below Bingen, no part of the journey requires him to hire additional services for navigation. Fueling, repair, and customs in foreign countries offer no difficulties.

On the Danube, except for the Greek owner-operators on the Rumanian portion below the Iron Gates, there are no small organizations engaged in inter-state trade. Even the large navigation companies have had trouble maintaining financial solvency. As early as 1926 operating difficulties on the Upper Danube virtually forced the organization of the Betriebsgemeinschaft der Donauschiffahrt, abbreviated BG (Working Association of Danube Shipping Companies). Composed originally of German, Austrian, and Hungarian interests, the BG in 1930 was joined by Czech, French, and Yugoslavian shipping companies. By 1937 the BG also included Rumanian, Dutch, and English interests. The agreements binding these various parties included uniform charges, sharing of traffic, pooling of tugs, and port facilities. Thus, when Germany entered upon the scene with the political power acquired by the absorption of Czechoslovakia and Austria, she had merely to use, strengthen, and expand the machinery already in existence.

B. Maritime Danube

1. Ports. The principal ports on the Maritime Danube are Braila and Galati. They are connected with the hinterland by rail and road transport, and function as important points for barge-ship transshipment. The third port is Sulina, close to the sea on the Sulina Channel. It is a "free port," but its development has been retarded by lack of inland connections, for there is no railroad and roads remain unpaved. The major activity is in transshipment from barge to oceangoing vessels. Minor ports are

Tulcea and Chilia. They have no mechanical equipment for loading and discharging, and play a relatively minor role in Rumanian maritime shipping.

2. Volume and Distribution of Traffic. Few data are available on the volume of traffic on the Maritime Danube. Some indication of this, however, can be gained by examining the activity of its ports (Tables 6 and 7). Galati ships out large quantities of timber, which is rafted down the Siret and Prut, as well as cereals. Braila is primarily a cereal port and outranks Galati in volume of traffic.

A further indication of the volume of traffic is the activity in the Sulina Channel, through which most of the sea-borne tonnage passes. The average volume and composition of the traffic leaving the Danube by way of the Sulina Channel over a ten-year period are given in Tables 8 and 9. The principal flags, in the order of their importance, were those of Greece, Great Britain, and Italy. Rumania transported only a small percentage of its own ocean-going traffic.

3. Operational Problems. The ports in the mouth of the Danube operate under great natural handicaps. Fluctuations in discharge combined with silting may force freighters to dispose of enough cargo at the port of Sulina in order to clear the bar. The greatest difficulty occurs in late autumn when downstream fluvial traffic in grain is at its peak. Storage facilities being inadequate, immediate transshipment to ocean vessels is required. Sharp drops in temperature have been known to freeze the Maritime Danube overnight. Ships caught in the freeze often are immobilized in a protracted and expensive lay-over.

Table 6. GALATI: PORT TRAFFIC, 1937 AND 1938

(metric tons)

a. Maritime Traffic

	Imports	Exports	Total
1937	179,000	201,000	380,000
1938	158,000	84,000	242,000

b. Fluvial Traffic

	Imports	Exports	Total
1937	106,000	400,000	506,000
1938	75,000	365,000	440,000

c. Composition of Traffic in 1937 and 1938

(metric tons)

	1937	1938
Timber	373,000	245,000
Cereals	248,000	183,000
Stone, sand, cement	66,000	57,000
Foodstuffs	11,000	18,000
Machines, etc.	11,000	15,000

Table 7. BRAILA: PORT TRAFFIC, 1937 AND 1938

(metric tons)

a. Maritime Traffic

	Imports	Exports	Total
1937	122,000	1,086,000	1,208,000
1938	93,000	783,000	876,000

b. Fluvial Traffic

	Imports	Exports	Total
1937	922,000	173,000	1,095,000
1938	754,000	126,000	880,000

Table 7. (cont'd)

c. Composition of Traffic in 1937 and 1938

	1937	1938
Cereals	1,928,000	1,333,000
Stone, sand, cement	128,000	146,000
Foodstuffs	37,000	19,000
Timber	87,000	84,000
Machines, etc.	52,000	51,000

Table 8. COMPARISON OF VESSELS LEAVING THE DANUBE BY NATIONALITY AND TONNAGE OF VESSELS
Yearly average, 1921-1930
(in metric tons)

	Vessels		Tonnage	
	Number	Percent	Number	Percent
Germany	27	3.5	63,937	4.6
Hungary	6	.8	19,317	1.4
France	52	6.8	77,754	5.6
Great Britain	126	16.5	281,318	20.1
Greece	229	30.1	327,628	23.4
Italy	125	16.4	269,268	19.2
Rumania	56	7.4	108,459	7.7
Russia	7	.9	3,695	.3
Turkey	11	1.4	7,185	.5
Other countries	123	16.2	241,270	17.2
Yearly total	762	100.0	1,399,831	100.0

Table 9. COMMODITIES SHIPPED OUT OF THE DANUBE THROUGH SULINA
Yearly Average, 1921-1930
(in metric tons)

	Tons	Percent
Cereals	1,423,130	72.4
Wood	483,917	24.6
All other	58,294	3.0
Total	1,965,341	100.0

III. SHIPPING INTERESTS

A. General

Danubian shipping is actually monopolized by the large companies. These companies were before the German expansion: a very large Austrian concern which was supported during the 1920's by English capital and during the 1930's by Italian capital, a second Austrian company flying the Dutch flag, a German company, a Czechoslovakian company, several Yugoslavian companies, several Hungarian companies, and several Rumanian companies. In addition there were several smaller enterprises carrying freight or oil. The British, French, and Italians had substantial investments in a number of the smaller companies. There was also a good deal of Greek shipping on the Lower Danube, and one small Swiss company (Petroleum Import Co., with a carrying capacity of 1,300 tons).

A number of changes have taken place since the annexation of Austria and during the war. German interests, which already held a substantial share, have become predominant. Both Austrian companies and the German company were taken over by the Göring Combine. The Czechoslovakian company was reorganized as a Slovakian enterprise, in which the Göring Combine received an interest. The Yugoslavian fleets were broken up, leaving a number of small Serbian enterprises largely at the mercy of Hungarian interests, and a state-supported Croatian enterprise in which the Göring Combine received an interest. The Hungarian and Rumanian fleets were left much as they were. Since 1935-1938 Bulgaria has acquired a river fleet, but one of the two Bulgarian companies is controlled by the Göring Combine and Hungarian interests. French and British investments were lost; the Italians began a program of expansion, which apparently did not get beyond the first stages.

Danubian shipping has been regulated by tight cartels for a number of years, but before the war there were only a few outsiders, notably the Czechoslovakian company and a small German company. Since the German expansion, the cartels have become all powerful, with the Göring companies playing the dominant role (Table 10).

Table 10. ESTIMATE OF THE DANUBIAN FLEETS - 1943

		Austria	Germany	Slovakia	ex-Yugoslavia	Hungary [a]	Rumania	Bulgaria	Miscel-laneous [b]
	(a) Commercial fleet (except tank barges and motor tankers)								
	Tugs	46(p:34,000)	15(p:10,000)	13(p:7,000)	60(p:28,000)	35(p:17,000)	34(p:15,000)	8(p:1,000)	96(p:25,000)
I-	Self-propelled	20(t:13,000)	18(t:10,000)	10(t:5,000)	6(t:4,000)	10(t:6,000)	4(t:3,000)	4(t:3,000)	....
	Barges	510(t:320,000)	120(t:120,000)	140(t:100,000)	400(t:260,000)	240(t:135,000)	200(t:180,000)	30(t:20,000)	450(t:440,000)
	(b) Tankers								
	Motor tankers	16(t:11,000)	14(t:11,000)	....	....	....	4(t:3,000)	....	2(t:1,000)
	Tank barges	65(t:48,000)	53(t:47,000)	15(t:12,000)	40(t:30,000)	18(t:13,000)	40(t:32,000)	....	30(t:24,000)
	(c) Passenger boats								
	Carrying 600 persons	12(p:12,600)	....	....	2(p:1,400)	6(p:4,200)	....	3(p:3,000)	....
	300-600 persons	8(p:6,000)	....	....	4(p:1,200)	3(p:2,200)	6(p:4,200)	....	....
	Less than 300 persons	5(p:2,000)	....	2(p:700)	15(p:4,000)	33(p:7,600)	12(p:2,500)	2(p:700)	....
	(d) Cataract tugs								
	Special cataract tugs	4(p:5,000)	2(p:2,200)	1(p:1,200)	2(p:2,500)	1(p:1,200)	3(p:2,700)	....	....
II-	Usable as cataract tugs	12(p:11,300)	2(p:1,600)	2(p:1,800)	3(p:2,600)	2(p:1,500)	5(p:5,700)	....	....
	(e) Motor tankers	14(t:10,100)	8(t:5,455)	....	2(t:600)	....	2(t:1,276)	....	....
	(f) Self-propelled barges	17(t:9,822)	11(t:13,612)	10(t:4,800)	3(t:1,800)	6(t:3,600)	3(t:2,218)	4(t:700)	....

p horsepower.
t tons, loading capacity.
a omitting figures on the 5 river-seagoing vessels of the D.T.R.T. and the two vessels of the Anglo-Hungarian Shipping Co.
b small firms of various nationalities, German military, former French SFND, etc.

B . Austrian Enterprises

1. DDSG. The largest and oldest of the Danubian shipping enterprises is the DDSG (Erste Donau-Dampfschiffahrts-Gesellschaft), of Vienna, founded in 1829 by two Englishmen, Andrews and Prichard. The present stock capital of the company is RM 16,000,000 (14,400 Stammaktien at RM 100, and 14,560 Inhaberaktien at RM 1,000), with total assets (as of 1940) of RM 61,667,119.

After the first World War, the principal investments in the company were held by the Viennese Rothschild bank (the Österreichische Creditanstalt), and an English group organized as the Danube Navigation Co., Ltd. The block of shares held by the English company was taken over by the Creditanstalt-Bankverein in 1933. In the following years the company relied heavily upon an Italian group for financing (Società Finanziamenti Esteri S.V.E.A., Rome -- Cosulich interests), and the Italians eventually obtained a block of 50,000 preferred shares, which represented almost a forty-six percent interest in the company. In 1939 the Göring Combine acquired the Italian block of shares and the interests of the Creditanstalt, after the bank had been taken over by a Reich holding company (Vereinigte Industrie-Unternehmungen AG). The present interests of the Göring Combine represent about ninety-eight percent of the stock, held by the AG Reichswerke "Hermann Göring" through the subholding company Reichswerke AG für Binnenschiffahrt "Hermann Goring".[1]

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[1] Directorate of the DDSG: Guido Schmidt (Göring Combine), Franz Brandl (former Austrian Police president and chairman of the board of the DDSG under Austrian ownership), Kajetan Mühlmann, Hugo Fritz Berger (Reich Ministry of Finance), Edmund v. Glaise-Horstenau (Gruppenführer), Hugo Jury (Reichstatthalter, Niederdonau), Johann Lawatschek (from former management) Willy Liebel (Mayor of Nürnberg), Ernst v. Mosing (from former management), Max Waldeck (Reich Ministry of Transportation). Management: Hermann Dilg, Josef Bauer, Robert de Verrette.

The property of the DDSG in 1936 was reported as follows:[1]

(a) Steamer Fleet	(number)	(horsepower)
Passenger ships	21	13,320
Towing ships	38	24,820
Freight ships	6	2,170
	65	40,310

(b) Barges and Tank Fleet		(loading cap. in tons[2])
Barges	386	228,739.7
Tankers	31	22,431.6
	417	251,171.3

The holdings for 1943 were estimated as follows:

(a) Commercial fleet (except tank barges and motor tankers):	(number)	(horsepower)	(loading cap. tons)
Tugs	40	30,000	
Self-propelled	14	7,000	9,000
Barges	450		280,000
(b) Tankers			
Motor tankers	8	7,000	6,000
Tank barges	40		30,000
(c) Passenger boats			
Carrying 600 persons or more	12	12,600	
300-600 persons	8	6,000	
Less than 300 persons	5	2,000	
(d) Cataract tugs			
Special cataract tugs	3	3,800	
Usable as cataract tugs	11	10,500	
(e) Motor tankers	8	7,000	6,000
(f) Self-propelled barges	13	7,020	7,421

Besides its fleet, the DDSG owns two large shipyards (at Vienna and Budapest), the majority interest in a shipbuilding company at Linz (Schiffswerfte Linz AG), the largest coal-mining enterprise in Hungary (Fünfkirchener Kohlenwerke), 60.78 kilometers of railway lines (Mohacs-Fünfkirchen Eisenbahn), electrical power works, 99 storehouses and warehouses, 85 business buildings, and 24 dwelling houses.

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1. Reported in Compass (Ostmark) 1939.
2. Wherever reference to tons is made in the tables that follow, loading or carrying capacity is meant.

2. COMOS. The Continentale Motorschiffahrtsgesellschaft AG (COMOS), of Vienna, is a freight shipping company that was founded by the Dutch N.V. Continentale Motorscheepvaart Maatschappij and formerly flew the Dutch flag. The majority of the shares in the Dutch company were owned by the Creditanstalt-Bankverein, and in 1940 the Göring Combine acquired from the Creditanstalt the majority interest in COMOS.[1]

The stock capital of COMOS is RM 6,500,000; total assets, RM 10,677,929.[2] The property of the company was reported in 1939 as consisting of:

	(horsepower)	(tons)
16 tugs and motor ships	8,900	
65 barges and tankers		55,000
	8,900	55,000

The holdings for 1943 were estimated as follows:

(a) Commercial fleet (except tank barges and motor tankers)	(number)	(horsepower)	(tons)
Tugs	6	4,000	
Self-propelled	6	4,000	4,000
Barges	60		40,000
(b) Tankers			
Motor tankers	8	5,000	5,000
Tank barges	25		18,000
(c) Cataract tugs			
Special cataract tugs	1	1,200	
Usable as cataract tugs	1	800	
(d) Motor tankers	6	3,000	4,100
(e) Self-propelled barges	4	2,320	2,401

C. German Enterprises

1. BL. The principal German company is the Bayerischer Lloyd Schiffahrts AG (BL), of Regensburg. Formerly owned by the Reich, the State of Bavaria, and the Deutsche Bank, the enterprise is now owned by the Göring Combine.[3]

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[1] Directorate: Guido Schmidt, Hugo Fritz Berger, Eduard v. Nicolai, Max Waldeck, and Josef Joham. Management: Josef Bauer, Hermann Dilg.

[2] Compass (Ostmark) 1942.

[3] Directorate of BL (1939): Ludwig Siebert (Bavarian State Ministry), Wilhelm Voss (Göring Combine, since replaced by Guido Schmidt), Fritz Berger (Reich Finance Ministry), Emil Georg v. Stauss (deceased), Ludwig v. Donle, Julius Fuchs (Reichsbahn), Albert Gorter (Bavarian Ministry of Finance), Arnold Maser (Deutsche Bank), Wilhelm Meinberg (Göring Combine), Albert Pietzsch (former head of the National Economic Chamber), Richard Riedl, Friedrich Sauter (Bavarian Economics Ministry), Otto Schottenheim (Mayor of Regensburg), Wolfgang Wehrmann (Reich Ministry of Transportation), Johann Welker (Franz Haniel & Cie), Ludger Westrick (Ver. Aluminiumwerke AG). Management: Albert Schlegel, Kurt Noell, and Hellmuth von Graevenitz.

The stock captial of Bayerischer Lloyd is RM 4,600,000; total assets, RM 7,153,377. Its fleet was reported in 1939 as composed of the following vessels:

16	steam ships
5	motor ships
14	motor freight boats
35	tank barges
96	freight boats
7	oil bunker ships
4	lighters
1	pontoon

The holdings for 1943 were estimated as follows:

	(number)	(horsepower)	(tons)
(a) Commercial fleet (except tank barges and motor tankers)			
Tugs	15	10,000	
Self-propelled	18	9,000	10,000
Barges	120		120,000
(b) Tankers			
Motor tankers	10	7,000	8,000
Tank barges	45		40,000
(c) Cataract tugs			
Special cataract tugs	2	2,200	
Usable as cataract tugs	2	1,600	
(d) Motor tankers	5	2,340	3,355
(e) Self-propelled barges	11	3,600	13,612

2. Josef Wallner, Bayerische Schiffahrts-u. Hafenbetriebs GmbH. This smaller German company, of Deggendorf, was estimated to have the following fleet in 1943:

	(number)	(horsepower)	(tons)
(a) Tankers			
Motor tankers	4	3,000	3,000
Tank barges	8		7,000
(b) Motor tankers	3	2,120	2,100

D. Czechoslovakian Enterprises

One of the Danubian shipping fleets on the market after the first World War was the Süddeutsche, which was purchased by the English group, Danube Navigation Co., Ltd. It was later broken up and sold to Czechoslovakian interests, DDSG, and one of the Hungarian companies. With the equipment from the Süddeutsche the Czechs organized the Československá akciová plavební společnost dunajská (Czechoslovakian Danube Navigation

Co.), in which the majority interest was held by the state and the minority by Czech banks. [1] After the German invasion, in 1939, the Czechoslovakian company was reorganized as the Slovenská Dunajplavba účastinná spoločnost (Slovakian Danube Shipping Co.), of Bratislava.[2] The Göring Combine obtained an interest in the new company.

In 1937 [3] the fleet of the company was reported as follows:

3	passenger steamers
8	side-wheel towing-boats
3	motor towing-boats
4	screw freight-boats
6	motor freight-boats
126	barges
9	tankers

The holdings for 1943 were estimated as follows:

	(number)	(horsepower)	(tons)
(a) Commercial fleet (except tank barges and motor tankers)			
Tugs	13	7,000	
Self-propelled	10	4,000	5,000
Barges	140		100,000
(b) Tank barges	15		12,000
(c) Passenger boats (small)	2	700	
(d) Cataract tugs			
Special cataract tugs	1	1,200	
Usable as cataract tugs	2	1,800	
(e) Self-propelled barges	10	3,700	4,800

E. Yugoslavian Enterprises

There were before the war three important shipping companies:

(1) J.R.P. - Rečna Plovidba Kralj. Jugoslavije (Yugoslavian River Navigation Company), of Belgrade;
(2) S.B.D. - Prvo Kralj. Srpsko Povlašćeno Brodarsko društro (Royal Serbian Navigation Company), of Belgrade;
(3) Schultz Simon, of Pancevo.

S.B.D. was a state company and the state also had

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1. The Agrarní banka, Böhmische Industrielbank, Anglo-Cechoslo. u. Prager Creditbank, Legionärbank, and the Živnostenska banka.
2. Directorate: Bela Kováč, Vojtech Brestensky, Wilhelm Voss (Göring Combine), Hermann Dilg (Göring Combine), Ján Liška, Alexander Hrnčár, Viktor Trgyna, Jan Porubjak, Peter Danišović, Jan Paulo, Marcel Vincúr, Vinzenz Takáč, Thomas Tvarožek. Management: Vladimir Droppa, Heinrich Thom, Bohuš Sebera.
3. Compass (Czechoslovakia), 1937.

substantial interests in J.R.P. In 1933 an agreement was concluded between the two companies to operate for their joint benefit. Their combined fleet was reported as follows:[1]

	(number)	(horsepower)	(tons)
Passenger ships	17	7,309	
Freight ships (wheel)	24	25,209	
Freight ships (screw)	12	2,801	
Motor freight-boats	5	2,720	
Barges	489		278,107
Tankers			30,392
Others	98		

After the German occupation the Yugoslav fleets appear to have been largely disbanded. A few small Serbian companies continued to operate, some of them new companies; the former S.B.D. continued with a greatly reduced fleet.

Croatia fared better. A Croatian company, "Hribrod" (Hrvatsko riećno brodarstvo d.d."Hribrod") of Zagreb, was organized with a stock capital of Kn. 100,000,000, in which the state holds the majority interest and the Göring Combine a minority interest.[2] "Hribrod" received an exclusive shipping concession and was reported as operating the following fleet in 1943:

10 tugs
24 barges
4 tankers
2 passenger ships (rented)

The following estimate has been made for the total remains of the former Yugoslavian fleets operating under German control in 1943:

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[1] 1939 Compass (Yugoslavia). Total Yugoslavian river shipping is elsewhere reported as follows (end of 1938): tugs, 114; passenger ships, 33; mixed passenger and cargo ships, 4; steam and motor ferries, 3; steam and motor barges, 22; wooden barges, 305; longboats and lighters, 656. Total tonnage, 485,164.

[2] Directorate: Gjuro Stipetić, Rudolf Diels (Göring Combine), Vladislav Brajković, Karlo Friś, Vuk Krajac, Josip Navak, Aleksander Primožić, Albert Schlegel (Bayerischer Lloyd), Heinz Streutker (Göring Combine), Robert de Verrette (Göring Combine). Management: Alois Oberhofer, Milan Milinković, Anto Matijević.

	(number)	(horsepower)	(tons)
(a) Commercial fleet (except tank barges and motor tankers)			
Tugs	60	28,000	
Self-propelled	6	4,000	4,000
Barges	400		260,000
(b) Tank barges	40		30,000
(c) Passenger boats			
Carrying 600 persons or more	2	1,400	
300-600 persons	4	1,200	
Less than 300 persons	15	4,000	
(d) Cataract tugs			
Special cataract tugs	2	2,500	
Usable as cataract tugs	3	2,600	
(e) Motor tankers	2	1,000	600
(f) Self-propelled barges	3	2,520	1,800

F. Hungarian Enterprises

1. M.F.T.R. The principal company is the Magyar Királyi Folyam-és Tengerhajózási Részvénytársaság (Royal Hungarian River and Sea Shipping Co.), of Budapest. This company was founded in 1914, with its stock subscribed to by the government and a syndicate of Austro-Hungarian banks. A further issue of capital in 1920 was taken by the English group (Danube Navigation Co., Ltd.) mentioned above. Subsequent issues of stock were taken by the Hungarian state for debts, until after 1936 practically all of the stock was in the hands of the state.[1] The stock capital in 1939 was Pengö 8,520,000; total assets, Pengő 49,110,710. The company's fleet was reported in 1937 as consisting of the following vessels:

60 steamships (hp. 24,685)
218 barges and tankers (tons, 128,621)
7 motorships (hp. 1,740)
105 pontoons
auxiliary craft (number not determined)

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[1] Directorate (1943): Zoltán v. Szilassy, Olaf v. Wulff, Julius v. Komarnicki, Gustav Bártfay, Aurel Dorner, István Girardi, Kalmán v. Imrédy, Gyula Kováts v. Dálnok, Oliver v. Markos, Alexander v. Hubay, Johann v. Nánássy, Ivan Paul, Ödön Péteri, Stefan Schlick, Andor Scholtz, Stefan Fluck, Kárl Udvarhelyi, Andor Zalay-Scholtz, Béla Szegő.

The fleet of the M.F.T.R. was estimated as follows for 1943:

	(number)	(horsepower)	(tons)
(a) Commercial fleet (except tank barges and motor tankers)			
Tugs	35	17,000	
Self-propelled	10	5,000	6,000
Barges	240		135,000
(b) Tank barges	18		13,000
(c) Passenger boats			
Carrying 600 persons or more	6	4,200	
300-600 persons	3	2,200	
Less than 300 persons	33	7,600	
(d) Cataract tugs			
Special cataract tugs	1	1,200	
Usable as cataract tugs	2	1,500	
(e) Self-propelled barges	6	2,942	3,600

2. D.T.R.T. The second important Hungarian company is the Magyar Királyl Duna-Tengerhajózásl Részvénytársaság (Royal Danubian Shipping Co.), of Budapest, an affiliate of M.F.T.R. The company possesses five vessels (adapted for both river and ocean usage) for direct transport to Black Sea ports. The stock capital in 1939 was Pengő 150,000.

A third company in Hungary, operating two ships, was the Anglo-Magyar Hajózási Részvénytársaság (Anglo-Hungarian Shipping Co.), of Budapest.[1]

G. Rumanian Enterprises

1. N.F.R. The principal Rumanian company is the state-owned Navigatiunea Fluvială Română (Rumanian State River Shipping Co.), whose fleet was estimated for 1943 as follows:

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[1] Management: Vincent G. Craggs, Lajos Rakős, Henrik Tolcovay. British agents: Craggs & Co., Winterbourne, Budleigh, Salterston, Devon.

	(number)	(horsepower)	(tons)
(a) Commercial fleet (except tank barges and motor tankers)			
Tugs	20	9,000	
Self-propelled	4	3,000	3,000
Barges	130		100,000
(b) Tankers			
Motor tankers	4	5,000	3,000
Tank barges	20		12,000
(c) Passenger boats[1]			
300 - 600 persons	6	4,200	
Less than 300 persons	12	2,500	
(d) Cataract tugs			
Special cataract tugs	2	1,700	
Usable as cataract tugs	3	3,700	
(e) Motor tankers	2	2,800	1,276
(f) Self-propelled barges	3	2,120	2,218

2. S.R.D. The second important Rumanian company is the Societata Anonimă Română de Navigatiune pe Dunăre (Rumanian Danube Navigation Co.),[2] of Bucharest, which united the properties of a number of small shipping companies formerly owned by Rumanian banks. The stock capital of the company is Lei 320,000,000; total assets, Lei 588,863,366. The fleet was reported as consisting of the following ships in 1939:

98 barges and tankers (tons, 98,100)
21 tugs
3 passenger boats
4 floating elevators
1 floating repair shop

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[1] Estimate of passenger boats is for both Rumanian companies, N.F.R. and S.R.D.

[2] Directorate (1943): Mircea Cancicov, M. Philippide, N. Caranfil, C. Boerescu, G. Dimitriu, C. Neamtsu, I.C. Pilidi, Rádu Portocală, Petre G. Polțer. Management: A. Gheorghiade, Nic. Hornet, I. Comșa.

The holdings for 1943 were estimated as follows:

	(number)	(horsepower)	(tons)
(a) Commercial fleet (except tank barges and motor tankers)			
Tugs	14	6,000	
Barges	70		80,000
(b) Tank barges	20		20,000
(c) Passenger ships (see above, N.F.R.)			
(d) Cataract Tugs			
Special cataract tugs	1	1,000	
Usable as cataract tugs	2	2,000	

H. Bulgarian Enterprises

Until recently Bulgaria had no river fleet of her own, but was dependent mainly upon the services of DDSG and the Hungarian M.F.T.R. Since the years 1935-1938 a fleet has been acquired, which was estimated to account for about one and one-half percent of total Danubian shipping in 1942. The principal enterprises are "Dunav" and the Bulgarische AG für Fluss-u. Seetransport (Bulgariah Company for River and Sea Transport).

The Göring Combine and M.F.T.R. have substantial interests in "Dunav," Kgl. Bulgarische Schiffahrts AG (Royal Bulgarian Shipping Co.)[1]. The stock capital of the company is Lewa 4,000,000.

The Bulgarische AG für Fluss-u. Seetransport [2] is an affiliate of the government-owned Bulgarian Coastal Transport Company, an enterprise which was successfully developed in the years following 1935. The River and Sea Transport Company is reported to own three modern Danube passenger steamers and four large new motor tugs. The capital of the company is Lewa 6,000,000.

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[1] Directorate (1943): Herman Dilg (Göring Combine), Baron Paul Kornfeld, Josef Kornzj, Michal Tenev, Bogdan Morfov, Zivetan Pupeschkov, Nikola Zlatarski.

[2] Directorate (1943): Iwan Stojanowitsch, Eduard Sasonov, Alred Pinkas.

The Bulgarian river fleet was estimated in 1943 as follows:

	(number)	(horsepower)	(tons)
(a) Commercial fleet (except tank barges and motor tankers)			
Tugs	8	1,000	
Self-propelled	4	3,000	3,000
Barges	30		20,000
(b) Passenger boats			
Carrying over 600 persons	3	3,000	
Less than 300 persons	2	700	
(c) Self-propelled motor barges	4	800	700

I. Italian Enterprises

Beside the Cosulich group's interest in the Austrian DDSG during the 1930's (see p. 29 above), the principal Italian enterprise operating on the Danube is "Sinda" (Società Italiana di Navigazione Danubiana). The main office of the company is at Bucharest, under the name of Sinda Română S.A.R. pentru transporturi și navigație pe Dunăre.[1] The stock capital of the company is Lei 20,000,000. The fleet is small.

Several Italian shipping companies had agencies in Vienna and had received permission in 1937 to engage in the shipping business in Austria. Information was also received after the outbreak of the war of projected Italian companies to be established in Croatia and Serbia for the Italian-Croatian and Italian-Serbian Danube traffic, but it is not known how far these projects were developed.

J. French and British Enterprises

Before the war the French had a number of shipping agencies in the Danubian countries and one shipping enterprise, with headquarters at Braila, the Société française de Navigation sur le Danube (S.F.N.D.).

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[1] Directorate (1943): Lt. Col. Emil Mora, Col. Luigi Mercalli, Ion Corjescu, Horatiu Comaniciu, Gh. Morariu, Pompiliu Verzariu.

The remains of the S.F.N.D. fleet were estimated in 1943 as follows:

	(number)	(horsepower)	(tons)
Tugs	6	2,000	
Barges	20		20,000

Besides the Anglo-Hungarian Shipping Co., Ltd. mentioned above (see Hungarian enterprise p. 35 above), the following English companies operated on the Danube:

	(number)	(tons)
Anglo-Danubian Transport Co. Ltd.	--	25,000
International Inland Waterways Co. (Shell)	3	7,000
Asiatic Petroleum Co., London	7	4,000

The principal British financial interests in Danubian shipping appear to have been held by the Danube Navigation Co., Ltd., which was formed after the first World War by Furness & Withy Co., Ewan Hunter & Co., Barthie, and the Cox & Hambro bank.[1] The Danube Navigation Co., Ltd., acquired from the Austrian state the old Süddeutsche Donau-Dampfschiffahrts-Gesellschaft, which was later liquidated, its equipment being sold to the Czechoslovakian company, the Austrian DDSG, and the M.F.T.R. (Hungarian).

The Danube Navigation Co., Ltd., also subscribed to issues of stock by DDSG and M.F.T.R., which represented substantial investments. All or the greater part of the latter two investments were apparently disposed of during the 1930's.

In 1940 the French and British attempted to remove as much of their shipping as possible and to tie up loose shipping by lease or purchase. On 1 May 1940, the New York Times reported that more than three hundred barges and tugs had been leased or purchased by Allied agents. Only a portion of this shipping was actually removed from Rumanian waters.

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[1] Directorate (1940): Lord Essendon (Chairman of Furness & Withy), S.J. Forster (Furness & Withy), E.H. Winant, M.B.E., J.N.W. Armstrong, F.C.I.S.

K. The Danubian Cartels

Since the 1920's Danubian shipping has been regulated by strict cartels, to which most of the large companies belonged. Outsiders and small companies which were not members of the central association usually adhered to some of the cartel conditions or had special agreements with certain of the cartel members. In 1937, however, one of the large companies, the Czechoslovakian, reported itself as not a member. The central cartel is known as the Betriebsgemeinschaft der Donauschiffahrten. The members are the five largest companies:

DDSG - Erste Donau-Dampfschiffahrts-Gesellschaft, Vienna;
BL - Bayerischer Lloyd Schiffahrts AG, Regensburg;
COMOS- Continentale Motorschiffahrts-Gesellschaft AG, Vienna;
M.F.T.R. - Royal Hungarian River and Sea Shipping Co., Budapest; Slovenská Dunajplauba účastinná Spoločnost, Bratislava.

Most of the other large companies (the Croatian, Rumanian, and Bulgarian) adhere to the cartel's conditions. The group of five big companies are operated as a single business entity. Each company places its shipping capacity at the disposition of the common enterprise. The offices and agencies along the two thousand kilometer course of the Danube are jointly used. All transportation contracts accrue to the cartel. The proceeds are distributed among the member-companies according to their respective quotas.[1]

A second cartel, organized in 1941 under the name of Gemeinsamer Güterverkehr der Donauschiffahrten, includes, besides the five large companies of the Betriebsgemeinschaft, two German companies and four southeast European companies, so that for all practical purposes the entire Danubian freight-shipping is strictly controlled by cartels. It has also been the practice for a number of years to organize pools for the shipment of specific commodities, such as a Tanker Pool for Rumanian oil, a Grain Pool, etc. Proceeds from the operation of a pool are credited to a common account and the profits divided as stipulated by agreements.

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[1] Deutsche Allgemeine Zeitung, 5 March 1944.

With the Göring Combine controlling four of the five members of the Betriebsgemeinschaft and two of the three principal outsiders, the operations of the cartels are weighted heavily in favor of German interests.

L. Conclusions

It is evident that there will be some rearrangement of interests in the Danubian fleets after the war. At least the present German domination through the Göring Combine will be eliminated. What will be the final outcome depends upon factors, some of which cannot be fully forecast. In their simplest terms these factors are:

1. The Interests of the Riparian States. Austria, Germany, Czechoslovakia, Yugoslavia, Hungary, Rumania, and Bulgaria each has an interest in maintaining a national fleet. These fleets may be either state-owned or state-supported, if local private enterprises prove inadequate.

2. The Interests of Prior Owners. At the end of the war the fleets of Germany and Austria, perhaps Bulgaria and Hungary, may be found, if not swollen in size, at least in a comparatively strong position; the fleet of Rumania, about the same as before; of Slovakia, slightly deteriorated; and of Yugoslavia, badly broken up. In the case of the German and Austrian companies, it is impossible to say at present how much they owe to expropriations and how much to occupying the most favorable position as regards upkeep and the acquisition of new equipment produced during the war. There is no trustworthy information on who obtained the remains of British and French shipping and by what method, whether by sequestration, confiscation, nationalization, or by forced or fraudulent sales. It is clear, however, that claims for

compensation may be asserted on behalf of the former owners, including the Yugoslavian and Czechoslovak states, the Furness & Withy interests (British), and the former owners of the Creditanstalt-Bankverein (Rothschild interests). It may be proposed that the German Bayerische Lloyd fleet be broken up and distributed to such claimants. The Austrian state may, on the other hand, desire to nationalize the Austrian companies rather than return them to the former Creditanstalt interests.

3. Needs for Capital. After the last war the Danubian shipping companies were badly in need of capital, and in consequence ownership was finally obtained by the parties who could supply the capital. This situation provided an opportunity for investment by outside financial interests (notably the British). A similar situation may recur and be the determining factor in the ultimate disposition of the Danube fleets.

While the question of ownership is being settled, it may well appear to all the European interests concerned that the only guarantee of regular Danubian shipping operations, or at least its greatest support, will be found in continuance of the Danube cartel. Danubian shipping has in the past been found to be of a nature that largely precluded the successful operation of small companies. The long hauls and special equipment for the rapids involved expenses which placed small companies at a great disadvantage. It should be pointed out in this connection that until the question of ownership is settled, the controlling position in the cartel will lie with tripartite powers administering German state-owned enterprises.

IV. INTERNATIONAL ORGANIZATION OF THE DANUBE

A. The Development of International Organization to 1939

1. Before the Nazi Regime.

a. Introduction. The basic principles of the traditional international river regime which were applied to the Danube after the Crimean War in 1856 were freedom of navigation (i.e., free access for the vessels of all states to and from any part of the international river), the abolition of arbitrary dues and charges, uniform police and navigation regulations, a judicial system to deal with complaints concerning river affairs, and an international organization to supervise the application of the regime.

The Danube & Ports

Although a single riparian organization was established in 1856 for the whole river, it soon broke down, chiefly because of Austria's determination to limit the carriage of inter-state trade between Danubian countries, in order to protect the financial position of the Austrian Danube Steam Navigation Company. A dual system gradually developed as a substitute, with the European Danube Commission established, temporarily at first, for the Maritime Danube, and a weak riparian organization for the upper river.

b. International Organization of the Maritime Danube. A temporary organization, the European Danube Commission, was set up in 1856 on the Maritime Danube to straighten out chaotic conditions there, and to clear the mouths and adjoining seas of sand banks. Owing to the virtual stoppage of all traffic[1] at the Danube outlet, the powers wanted direct control over the matter, and the European Commission, therefore, was made up of representatives of Great Britain, Austria, France, Prussia, Russia, Sardinia, and Turkey. This European Danube Comission was recognized by the powers as the provisional body for the Lower Danube in 1865, and as a permanent body in 1883. Its powers were increased by successive agreements among the powers, and its jurisdiction was extended to Braila. It was independent of Rumanian territorial sovereignty. The Commission exercised executive, legislative, and judicial powers in all matters concerning navigation on the Maritime Danube. It had power to plan, execute, and administer all navigation works on the Maritime Danube, both for maintenance and improvements, and to raise funds for construction of the works either by imposing navigation dues, or by negotiating loans. It was responsible for the supervision of all navigation activities on the Lower Danube, and for the policing of the river. The Commission heard complaints and had judicial power over all cases arising out of river affairs. It had its own ships, flag, and personnel; it appointed and replaced its own agents. To enforce its own authority, the Commission could call on specified warships stationed by the powers at the river mouth.

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[1] Russia had been in full control of the Chilia and Sulina mouths and all the delta islands from 1829 to the end of the Crimean War. During this period, she had followed a deliberate policy of strict quarantine measures and failed to dredge the river mouths. By the 1850's access to and from the Danube was cut off for all but small boats. Direct negotiation with Russia had brought about almost no improvement.

After the first World War, and as a result of the non-recognition policy adopted toward the new regime in Russia, the defeat of Germany, and the defeat and break-up of Austria-Hungary, these three powers were dropped from the Commission. Italy, an Allied Power, was added. Therefore, for most of the period after 1919, Great Britain, France, Italy, and Rumania were represented on the Commission.

c. International Organization of the Fluvial Danube. After the failure of the original Riparian Commission and the development of a dual system there was for a long period no effective international organization on the upper river.

The execution of works was therefore entrusted to Austria-Hungary, along with power to levy dues to pay for such works. In practice, Hungary was responsible for improvements at the Iron Gates and the Cataracts until the first World War.

A Riparian Commission was actually established in 1883. It was dominated by Austria-Hungary and, because of this, Rumania refused to participate. Under such conditions the Commission could accomplish very little. After the first World War, a new organization, the International Danube Commission, took over its duties and the special duties of Austria-Hungary at the Iron Gates. A special subcommission was established under the International Commission to administer the Iron Gates sector.

Efforts to establish an effective organization for the fluvial Danube were constantly hampered by the necessity of making concessions in order to maintain the power of the European Danube Commission at the outlet. Such concessions were made to Austria before the first World War; to Rumania and Yugoslavia after the war. Therefore, the International Danube Commission was primarily a supervisory and coordinating body to watch over the application of the basic international regime. It reviewed all plans for construction in the river and on the banks that might affect navigation, and could disapprove such plans when they threatened to injure navigation. Although legally it had power to demand execution of necessary works, in practice it never exercised this power when the state or states concerned refused compliance. The Commission could authorize the imposition of navigation dues by the state to pay for works of improvement. Uniform regulations for river police and navigation were made by the Commission but were actually approved and initiated by the states. General police rules were made by the separate states, and all actual policing was done by the riparian states. The Commission heard complaints on such matters as customs, sanitation rules, and discriminations of all sorts; it heard disputes between the states on questions of the interpretation and application of existing international arrangements. In general, the decision of the Commission ended the matter. If the decision was not accepted by the interested states, the dispute could be referred for an advisory opinion to the Organization for Communications and Transit for the League of Nations, on the grounds that the Commission was incompetent or had exceeded its powers under the Statute. If no solution was found, the dispute could then go to the Permanent Court of International Justice.

The powers of the International Danube Commission were greater than those of the former Commission, but in practice it remained a weak and vacillating organization. Primarily it was a riparian organization. However, the strong influence of the western European Powers was demonstrated here too by the inclusion of British, French, and Italian representation on the Commission.

The dual system was further complicated after the first World War by a new organization, the Danube Hydraulic Commission, with power to plan and supervise activities on the fluvial Danube that were not directly concerned with navigation. Irrigation, flood control, electric power developments, and fisheries were among the responsibilities of this Commission. The allocation of these non-navigational problems to a separate body was both arbitrary and ill-advised.

There were certain limitations on the powers and jurisdiction of the three Danube Commissions and of the subcommission for the Iron Gates (See p. 51 below) other than the statutory ones contained in the Acts establishing them. One was the definition of international waterways: "waterways naturally navigable which cross or traverse two or more states." The other was the principle of free navigation which established priority of navigation as the fundamental purpose of internationalization of the European rivers. As a result, the jurisdiction of a river Commission was limited to navigable or potentially navigable parts of an international river and its tributaries, and its powers to the maintainance of free navigation to the exclusion of other non-navigation interests on the river. Second, the powers of the international organs on the river were fairly clear on paper, but in practice there was considerable overlapping. The question, moreover, of the powers of the European Commission over that sector of the river between Galati and Braila became especially acute and was carried to the Permanent Court of International Justice. The Court upheld the full powers of the European Commission as far as Braila, but Rumania refused to accept this and no satisfactory solution was found. As a result, there was some conflict on that section of the river between Rumanian authorities and officials of the Commission. Third, although in theory the Commissions might have had supervisory power over economic policies in regard to such matters as freight rates and allocation of freight, in practice the Commissions were unable to act effectively on such matters. As a result, the whole realm of economic policies which played a greater part in navigation on the river than technical considerations in the inter-war period was outside the Commission's field of activity.

2. Effects of the Nazi Regime. The chief difficulties confronting international organization on the Danube from the Nazi rise to power in Germany in 1933 to the outbreak of war in 1939 hinged on the question of German representation on the Commissions.

a. International Danube Commission. The question of

German representation first became acute on the International Commission when the German riparian states, Bavaria and Württemberg, lost their autonomous position in the Reich in 1934. In place of the representatives of these two states, the Reich sent two representatives with full powers to the Commission. This action was contested by the other states, although, pending an agreement, they were allowed to take their places by a special arrangement. Germany argued that she was entitled to two representatives under the Peace Treaties and the Danube Statute of 1921, and that a change in her internal organization did not affect her international rights. The other states argued that the accepted principle was that of one representative from each State, and clearly there was now only one German riparian state on the Danube, the Reich. The matter was discussed at length through 1934 and 1935 by the Commission, the Foreign Offices, and the Organization for Communications and Transit for the League of Nations. No satisfactory solution was ever found and Germany left the Commission in 1936. This action was part of the general denunciation of the Versailles river stipulations. With the disappearance of Austria in 1938 and Czechoslovakia in 1939 as independent states, their representation ceased. Germany, moreover, refused to permit the Commission to exercise its powers in the countries which were included within the new German boundaries. Therefore, the Commission's jurisdiction was effectively limited to the section between Braila and the Czechoslovak-Hungarian frontier. The seat of the Commission was moved to Belgrade and it continued its work with Hungary, Yugoslavia, Bulgaria, Rumania, and the non-riparian representatives.

b. European Danube Commission. Germany, with the full support of Italy, began negotiations for admission to the

European Commission at the same time that its representation on the International Commission was being discussed. In 1938, in line with their general "appeasement" policy, Great Britain and France agreed to grant the request.

Rumania, however, consistently opposed all efforts to admit a German representative. Her relations with the European Commission had not been satisfactory. She had consistently opposed the extension of the Commission's powers to Braila after the first World War.[1] And in 1939 Rumania demanded and obtained concessions limiting the powers and jurisdiction of the European Commission as the price of Germany's admission to that body.

Most of the direct functions of the European Commission with regard to such matters as navigation works, regulations, judicial powers, sanitation, and administration were transferred to the Maritime Danube Board, an autonomous agency working under the supervision of Rumania. The installations and part of the personnel of the European Commission were transferred to the Board. Many of the non-Rumanian personnel were replaced by Rumanian nationals. The warships at the outlet, upon which the Commission had relied for sanctions, were withdrawn. The duties of the Commission were now limited primarily to supervising the activities of the Rumanian authorities. The powers of the European Commission were now similar to the powers of the International Commission. In general, the European Commission acted upon majority vote, but that majority had to include Rumania.

B. Developments after the Outbreak of the War

1. From the Outbreak of War to August 1940.

Upon the outbreak of war in Europe in September 1939, international control of Danube navigation was still exercised by the the European Danube Commission and the International Danube

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[1] This was carried to the Permanent Court of International Justice, but the advisory opinion of the Court did little to improve the situation. See p. 48 above.

Commission. During the first year of the war there was no major change in the organization or functions of this international control of the Danube. Both the International and the European Commission met during this period at regular intervals, at the usual time and place, and with their ordinary members as participants. In the case of the European Commission, this meant the meeting, in common conference, of delegates of powers at war with each other.[1] Behind this peaceful facade, however, the jockeying of the major powers for positions and influence began immediately.

This was the period of the short-lived Nazi-Soviet rapprochement. Germany and Russia had a common interest in the river and in excluding Western Powers from the area, but beyond this negative purpose, mutual jealousy and competition for influence appeared immediately. The Soviet Government during this period persistently demanded representation on the European Commission, but without success.[2] Germany, on the other hand, tried above all to regain influence over the fluvial Danube.

Alleging British attempts to sabotage shipping on the Danube at the April 1940 meeting, the Reich, through Hungary, demanded a share in controlling and policing the fluvial Danube. A new committee, in which Germany would be represented and which would police important parts of the river, was suggested. This was rejected by the Commission in favor of a mixed Rumano-Yugoslav subcommission to supervise Danube policing particularly at the Iron Gates and the adoption of stringent security rules. These rules forbade navigation of heavy ships or boats easily convertible into warships, and

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1. E.g., meeting of the International Commission at Belgrade April 1940, of the European Commission at Galati February and May 1940 (New York Times, 16 February, 18 April, 21 May 1940).
2. Dallin, David J., Soviet Russia's Foreign Policy 1939-1942, p. 210 ff.

provided for the limitation of the size of crews and control of their members. Later Germany -- again through Hungary -- suggested international (i.e., German-dominated) control of the strategic Iron Gates, but was again defeated through Rumanian and Yugoslav opposition.[1]

2. The Vienna Conference and Its Results.[2] By the summer of 1940, in spite of the unchanged existence of the two old Danube Commissions, the balance of power in the Danube region had completely changed. Navigation on the river had become almost exclusively a German affair.[3] Russia became a riparian state by the incorporation of Bessarabia (28 June). The fall of France reduced the influence of the Western Powers in the region to almost nothing, while that of the Axis became predominant in most Danubian countries. The Reich, therefore, believed the moment propitious for the outright destruction of the existing legal system governing Danube affairs, and its replacement with what Haushofer called "Greater German river geopolitics."[4]

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According to an unconfirmed report,[5] Germany and Italy, at the end of August 1940, announced their withdrawal from the European Commission, declaring it thereby dissolved. This step would seem to have been taken in preparation of the establishment, by the Axis powers, of an Axis-dominated single commission for all of the Danube, but was apparently dropped silently and temporarily in order not to provoke Russia, who

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1. New York Times, 11, 16, 18, 28 April, 2 May 1940.
2. The details of the developments from this point on are somewhat uncertain, and available information is sometimes doubtful or contradictory, because the powers participating in the events tried to proceed cautiously, avoiding in many cases official announcement or publication of the texts of even the most important documents.
3. New York Times, 28 April 1940.
4. Haushofer, "Grossdeutsche Wasserstrassen-Geopolitik," in Zeitschrift für Binnenschiffahrt, 1940, pp. 1 ff.
5. New York Times, 30 August 1940.

foot note

wanted, not the abolition of that commission, but its reorganization with Russian participation.

Therefore, for the time being, attention was focused on the International Commission. On 2 September Berlin announced that the German Government had invited "the governments concerned" to send experts to a conference to be held at Vienna for the discussion of Danube questions. This announcement was coupled with the statement that in view of notorious enemy sabotage attempts on the Danube, British and French participation in the International Commission could no longer be tolerated. The Vienna conference was therefore expected to supply a "provisional new system."[1] (It will be noted that the official communiqué avoided the issue of the river deltas.)

The conference met on 5 September, apparently with the participation of Italy, Hungary, Bulgaria, Yugoslavia, Rumania, and Slovakia. The Russians had not been invited. On 10 September, however, the Soviet Government informed the Reich that "the Soviet Union, being a Danubian state, cannot be indifferent to the control of Danubian shipping, and cannot but take an active interest in all questions concerning the Danube River. In view of this, the Soviet Government hopes to receive from the Reich Government all information regarding the Vienna conference of experts, insofar as it relates to international questions affecting the Danube."[2]

The official communiqué on the termination of the conference stated that it had discussed "questions of Danube navigation above Braila." The International Danube Commission was declared officially to be dissolved, and a provisional agreement, providing "measures for the liquidation of the International Danube Commission and the safeguarding of ... unrestricted navigation on this part of the Danube,"[1] was signed.

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[1] *Frankfurter Zeitung*, 2 September 1940.
[2] Dallin, *op. cit.*, p. 268.

The text of the agreement itself has never been published. A leading article in a German newspaper, known at that time to reflect the views of the German Foreign Office, referred to it as "not a big treaty, but a provisional arrangement of only a few articles limited to the essential."[2] The same article emphasized that the new arrangement did not touch the European Commission and questions concerning the Maritime Danube. Later reports asserted that the conference had established, in place of the International Commission, a "Consulting Committee for Danube Affairs above Braila,"[3] under a permanent German director (Dr. Martius), and with representatives of Italy, Hungary, Bulgaria, Rumania, Yugoslavia, and Slovakia. A subcommittee, likewise under German chairmanship, was to control the Iron Gates, and both bodies could be convened and adjourned only by their German chiefs.[4]

The Vienna conference thus seems to have resulted in the elimination of Franco-British influence over affairs of the fluvial Danube, and an attempt to replace it by Axis domination. It also implied recognition, at least on the part of such riparian states as were members of the International Commission and who were now either Axis satellites or at least under German influence, of the demise of that Commission and the legalization of Germany's absorption of Austria and Czechoslovakia, as well as the establishment of the puppet state of Slovakia as a "person in international law." While the ultimate intention probably was to establish the new organization as the sole body dealing with all Danube questions, including those of the Lower Danube, no open attempt was made to achieve this end immediately, in view of the expected Russian opposition.

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[1] Frankfurter Zeitung, 14 September 1940.

[2] Frankfurter Zeitung, 14 September 1940 (article entitled "Donaukommissionen")

[3] See Zeitschrift für Binnenschiffahrt 1940, p. 180; ibid., 1941, p. 53.

[4] New York Times, 18 September 1940.

3. Diplomatic Relations between Russia and Germany. Subsequent to the Vienna conference diplomatic negotiations ensued between the Soviet Union and Germany in which agreement was reached upon the abolition of the International Commission, the major result of the September meeting. The Soviet-German agreement constituted a new decision; the Vienna proposal, to which Russia did not accede, was quietly dropped. But an even further step was taken, for this agreement also dissolved the European Danube Commission and established in place of the two former Commissions a single body, on which Germany, Italy, Russia, Rumania, Hungary, Bulgaria, Yugoslavia, and Slovakia were represented and whose jurisdiction was to comprise the whole of the Danube. However, the river was considered as international only to Bratislava, thus excluding all parts of the river directly under German domination. The major positive result thus was the inclusion of the Soviet Union in the new set-up, to which the Axis powers had been forced to agree. Russian influence was extended beyond the Maritime Danube to the entire internationalized part of the river.

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4. The Bucharest Conference and Its Failure. As a result of the German-Soviet negotiations a conference of representatives of the Soviet Union, Germany, Italy, and Rumania was planned toward the end of October 1940 in Bucharest for the discussion of questions concerning the Maritime Danube.[1]

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[1] New York Times, 25 October 1940; New York Herald Tribune, 28 October 1940. The official communiqué on the Bucharest meeting, as published in the Frankfurter Zeitung, 28 October 1940, was as follows:
(footnote continued on following page)

Whether this meeting was intended to be an international conference in the usual sense, or a meeting of a newly established Danube Commission is not clear.

While the agreement concluded after the Vienna conference between Russia and the Axis Powers signified their accord as to the formal organization of the new commission, there was apparently little accord as to the actual functioning and detailed regulation of the new river set-up. For this reason the Bucharest conference was convened to discuss what apparently amounted to the most important point of disagreement, namely the situation on the Maritime Danube. Russia is reported to have asked that control of the Danube mouths be conferred solely upon her and Rumania as riparian states. This request the Axis delegates were not ready to grant. Although nothing was ever officially made public as to the course and result of the Bucharest conference, it has become known that negotiations were protracted, and resulted in failure to reach any agreement. Shortly before Christmas 1940, the delegates left Bucharest, officially merely adjourning the conference until January.[1] No agreement seems to have been reached between then and the summer of 1941, when war broke out between the Axis and the Soviet Union.

(Footnote 1, continued from preceding page)

"As result of conversations which have been held recently between the German Government and the Government of the Soviet Union in agreement with the Italian Government, it has been found necessary to dissolve both the International Danube Commission and the European Danube Commission and to establish in their place a uniform Danube Commission composed of representatives of Germany, Italy, the Soviet Union, Rumania, Hungary, Bulgaria, Yugoslavia, and Slovakia. This Commission will have the task of regulating the question of navigation on the entire Danube from its mouth to Bratislava. In accordance with the agreement reached in this question, negotiations between expert delegates of Germany, Italy, the Soviet Union, and Rumania concerning a provisional regulation of the legal status of the Maritime Danube between the mouth and Braila will begin at Bucharest on October 28."

[1] Dallin, op.cit., pp. 268f.; New York Times, 16 November, 26 December, 27 December 1940, 1 January 1941.

In the meantime, one of the "forgotten" powers raised its voice in protest against the "reorganization" of international control on the Danube. In a note of 29 October 1940, the British Government interpreted Russia's participation in the new commission as a breach of neutrality, and declared that Britain would not recognize any agreements violating existing treaties, reserving all her rights in this connection. The Soviet Government replied in a sharp note, rejecting the British assertion that her step meant a violation of neutrality and declaring that the composition of the Commission had no relation to this question. The note also included a clear statement of Russia's attitude toward the Danube question at that point. "The formation of the Danube Commission, with the participation of the USSR and also of states situated on or near the Danube, constitutes a restoration of justice violated by the Versailles and other treaties by which, the British Government having played a leading part, the USSR was kept out of the International and European Danube Commissions. The Danube Commission must naturally be composed of representatives of states situated on or closely connected with the Danube and using it as a trade channel.... It is clear that Britain, being removed thousands of kilometers from the Danube, cannot be classed as such a state."[1]

The Bucharest conference and the events accompanying it made it clear that there was no agreement upon the basic question concerning the Danube between Germany and Russia, the major powers participating in the attempt to rearrange Danubian affairs. In any case, the continued existence of the new organization depended upon the victory of the Axis powers over those nations which for the time being had been eliminated from it.

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[1] Text of the Soviet communiqué publishing the notes in the New York Times, 4 November 1940. Following this publication the Under Secretary of the Foreign Office declared in the House of Commons that Britain regretted the publicity given to the affair, the intention of the British protest having been merely a "reservation of legal rights"; New York Times, 14 November 1940.

5. Recent Developments. The new Danube Commission met at Vienna in February 1941, at which session, besides representatives of the Axis powers and the smaller Danube countries, there was also a Soviet delegate. It seems that the Commission discussed only technical questions, without going into basic issues. German influence became more and more obvious. The Reichsmark replaced the Swiss Franc as official currency for the levying of tolls, and German was adopted as the official language of the organization.[1]

At the end of April, following the German invasion of Yugoslavia, the Yugoslav delegate was excluded from the Commission.[2] German-Russian efforts to come to agreement about the outstanding questions were continued in May 1941, but had reached no conclusion when war broke out between the two powers.[3]

The new Commission functioned under complete German control until the Russian offensive of 1944. The Commission had its principal seat at Vienna, with branch offices at Budapest, Belgrade, and Orsova. Supervision of navigation at the Iron Gates had been conferred upon a subcommittee located at Orsova. The puppet state of Croatia was admitted to the Commission, which since late 1941 was composed of delegates from Germany, Italy, Rumania, Hungary, Bulgaria, Slovakia, and Croatia.[4] This list in itself is sufficient to reveal the complete domination of the Danube by one power, Germany.

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1. Dallin, op. cit., p. 269; New York Times, 20 and 21 February 1941.
2. New York Times, 26 April 1941.
3. Dallin, op. cit., p. 269.
4. See Compass Finanzielles Jahrbuch 1943, Rumänien, p. 709.

C. Conclusions

The idea of international cooperation on the Danube is firmly established, although the institutions through which it worked have frequently proved unsatisfactory. The present war has not destroyed the commission principle, even if the institutions have been changed to meet the requirements of the political situation.

The activities of international institutions on the Danube show clearly that there are many problems in which international cooperation has been successful and recognized as useful by the states concerned. Cooperation has been particularly successful with regard to major works on the river, to supervision of river activities in the interest of equal treatment, and to the establishment of uniform regulations concerning policing, rules of navigation, customs and sanitation formalities, and other questions.

Adherence to the principle of state sovereignty has, however, retarded the development of cooperation by strictly limiting the fields in which international action is possible. The limiting effects of conflicting national interests were most noticeable on the fluvial Danube, where the International Danube Commission was unable to take any action in matters not directly concerned with navigation. This factor was not as apparent in the case of the Maritime Danube, where the European Danube Commission was an independent body, although the actual exercise of this Commission's powers between Galati and Braila has been constantly hindered by Rumania's reluctance to accept the Commission's full jurisdiction in that sector.

It is true that power over non-navigational works was entrusted to a separate body, the Danube Hydraulic Commission, but the territorial limits[1] of this Commission and the arbitrary and ill-advised separation of the jurisdictions of the International Commission and the Hydraulic Commission into navigational and non-navigational works meant, in effect, that the Hydraulic Commission could accomplish very little. Furthermore, questions such as uniform statistics, uniform general police rules, a uniform judicial system, were beyond the effective powers of the International Commission.

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[1] Limited only to navigable or potentially navigable parts of international rivers in the Danube system.

A lack of balance between the powers of the two main bodies -- the strong European Commission and the weak International Commission -- has, moreover, hindered uniform regulation for the whole river even for the problems over which both Commissions have authority.

The history of the Commissions demonstrates the great part that international politics has played, both in the development of the organizations and in their day-by-day activities. The International Commission, for example, was particularly susceptible to the political difficulties of the Balkan states. Even its exercise of statutory powers was limited by obstacles raised by the intense nationalism of the riparian states. Naturally, this factor has further hindered effective international cooperation along the entire course of the river.

The new Commission established during the Nazi period was not a truly international body. It was merely an organization of satellite states which accepted and applied German demands concerning the use of the river facilities.

V. THE INTERESTS OF VARIOUS COUNTRIES IN THE DANUBE

A. General

In the following survey of the interests which a number of countries have in the Danube and the Danube region, attention is centered not so much upon their direct interest in the organization of navigation controls as upon their broader political, economic, and allied interests. From these basic interests are derived the attitudes toward the establishment and organization of river control. But emphasis is laid less upon the historical developments of various interests and clashes of interests than upon the several nations' stake in the river and the region, either at present or in the very recent past. Finally, an effort is made to describe the expected nature of these interests in the post-war period.

There are two major types of "Danube interests": interest in the Danube as a river, and interest in the Danubian region. The major interest of the countries bordering on the Danube, obviously, is in the river, and the interest of the non-riparian powers, if such an interest exists, is in the countries bordering upon the river. In other terms, there are two categories of countries involved: countries bordering on the Danube, and non-riparian states.

Under Nazi domination the interests of the riparian states, their number, and in certain cases their very identity have been changed (thus, Yugoslavia was destroyed as a unit and its place taken by the rump state of Serbia and the new puppet state of Croatia, both riparian units; Czechoslovakia's riparian region was occupied by puppet Slovakia). It may be assumed that the defeat of Germany and her satellites will mean the restoration of the former Danubian countries. The following will therefore be the riparian states in the area: Germany, Austria, Czechoslovakia, Hungary, Yugoslavia, Bulgaria, Rumania, and by her acquisition of Bessarabia, Russia.

The main political interest of the riparian countries in the Danube is obvious. In order to maintain their political independence these countries must strive to exercise as much power over the river as possible. But if this interest drives them into opposition to international or foreign-power controls of river navigation, economic, and partly political, interests force them to accept at least some measure of such control. These nations are all, in varying degrees, interested in making and maintaining the river a navigable and technologically up-to-date waterway. For all of them the Danube is an important artery of internal transportation and a connection with the sea and the non-Danubian world. Thus, for a country like Hungary, landlocked and dependent on foreign railway systems for its international connections, the Danube and its tributaries are critical and their internationalization, less in the sense of international controls than in the sense of the rivers' free accessibility to the navigation of all countries, constitutes a major interest of national policy. The river system is important for the riparian countries, not only with respect to seagoing trade but also for trade and connections with other riparian countries and lastly for intra-country passenger and cargo carriage.

B. Big-Power Interests in the Danube[1]

There have always been large non-riparian states with interests in the Danube. These big-power interests have only in part been in the river as such, in freedom of navigation, in its material improvement, etc. Frequently their major interest has been in exerting influence, sometimes by way of utilizing river control as a means to this end, over the countries and regions bordering on or connected with the river.

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[1] A more detailed discussion of the general interests of the nations discussed in this section will be found in the later parts of this chapter (H, I, J).

With the development of world trade and shipping the interest of certain commercial nations, above all Great Britain, in the exchange of goods between the Danubian region and other parts of the world led to the internationalization of Danube navigation and the neutralization of the river's strategically important mouths. Until the first World War this big-power interest was reflected by the domination of the "European Concert" over the Maritime Danube by means of the European Danube Commission, in which all the major European Powers participated. After the war the change in the European power constellation was reflected in the exclusion of defeated Germany and ostracized Russia from major influence in the region, and Franco-British hegemony in Europe found its expression here in the representation of these powers and Italy upon the bodies exercising control over the river. Changed power constellations after the present war in all likelihood will again be reflected in the kind and structure of control to be devised for the Danube system.

Russia, Britain, and France, which have traditionally played a major role in the Danube and its control, can be expected to take an interest in it after the war. It can be anticipated that Germany and Italy, because of their status as defeated powers, will be granted little influence. American interest likewise need not be discussed in this context, because up to the present it has been absent. The United States have never been represented in, nor have they tried or desired to be represented in, any of the bodies set up for the internationalization and the control of the Danube; they have not participated in any treaty or agreement establishing such controls. Economic interests of this country in the region have been very slight. Politically, whenever America became interested in European power relations and politics, this interest was concentrated more in the Atlantic West than in the southeastern regions, which were considered spheres of interest or influence of other powers (France, Great Britain, Russia, Germany, or Austria-Hungary).

C. Austria's Interest in the Danube

It is clear that the economic interests of an independent Austria will require the development of commercial ties with the other countries in the Danubian region. While this is largely a problem of broader economic policies (tariff policy, etc.), there is also involved a considerable Austrian interest in Danube navigation. The Danube flows through Austrian territory for about 350 kilometers. Austrian ports (mainly Vienna and Linz) in 1936 accounted for about 10 percent of the total traffic (tonnage) handled by Danube ports.[1] By far the largest percentage of this Austrian tonnage (86.1 percent) consisted of goods carried to or from other riparian states; among these, Rumania and Hungary took precedence. Although in the total figures of Austrian goods transported, river shipping amounted to only 4.5 percent -- the remainder being mostly rail transport -- Danube shipping has been and will in future be important for the transportation of such bulky goods most suitable for river transportation as foodstuffs, tobacco, and other agricultural products, and such materials as scrap iron and agricultural machinery. An expanded Austrian industry, converted to peacetime production, may depend on unhampered river facilities for the shipment of such goods. Austrian ports, whose facilities for handling freight have been considerably expanded during the war, will be well equipped to serve this purpose.

Austrian shipping companies[2] have been among the leading navigation companies on the Danube, operating throughout the entire length of the river. The major ones belonged to the great Danubian shipping cartels. The largest among these companies, which at the same time has been the largest shipping company among all the others, is the Erste Donau-Dampfschiffahrts-Gesellschaft. Its large fleet and shipyards, mining and electrical enterprises, railways, and other properties are located in and outside of Austria proper. In the past the British held a substantial investment in the company; it is now entirely owned by the Göring interests. The second Austrian company, COMOS, is also now owned by the Göring interests. At present these German-Austrian fleets are swollen to the disadvantage of other riparian and foreign interests, but it is difficult to say how much of their holdings have been acquired by outright expropriation. After the war, Austrian-Rothschild (Creditanstalt), and perhaps British, interests may be expected to present claims for property restitution.

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[1] Here, as well as in the sections dealing with the interests of other countries, reference is always made to Chapter II for details.

[2] Here, as in the following sections, reference is always made to the more detailed treatment in Chapter III.

D. Hungary's Interest in the Danube

Hungary, occupying the very heart of the Danubian plain, has a vital stake in the Danube River system. This was already apparent in the nineteenth century, when the Hungarian Government interested itself in regulating and making navigable the Iron Gates passage, at that time the southern frontier of Hungary. Large sums of money were spent on this enterprise. The importance of the river system greatly increased when the Treaty of Trianon made Hungary a landlocked country whose international traffic by rail was dependent on the railroad systems of the Succession States. Hungarian shipping, however, could reach foreign destination directly by using the Danube system. This fact explains Hungary's great interest in the internationalization of the Danube.

The Danube flows through Hungarian territory for approximately 430 kilometers, part of which, however, forms her boundary with Czechoslovakia. In addition there is the Tisza River, which drains a major part of the Danubian plain. River transportation constituted 10.9 percent[1] of the total tonnage of Hungarian goods transported. This fluvial tonnage was about evenly divided between domestic (intra-Hungarian) traffic and traffic to and from other riparian states. Most of the latter (foreign) traffic was with Rumania, Austria, and Germany (in this sequence). Of the total fluvial traffic 9.6 percent was under the Hungarian flag. Hungarian ports on both the Danube and the Tisza Rivers handled about one-quarter of the total handled in Danubian ports; somewhat less than half of this traffic was handled by the port of Budapest.

Hungarian interests were also considerable inasmuch as a river fleet is concerned. After the first World War a seagoing fleet was built which maintained regular routes to the Levant. On the eve of the present war, plans were laid to expand this fleet and extend its operations to the Atlantic. Hungary's major navigation company, the M.F.T.R., was gradually taken over by the state until in 1936 practically the whole stock was state-owned; this company, like its Austrian counterpart, belonged to the major Danubian shipping cartel.

Hungary's stake in an internationalized system of navigation controls is also important because of the fact that the navigation channel could be much improved in the Hungarian portion of the river, a task which, because of the costs involved, would be outside the country's own ability but could be undertaken by an international body. Hungary is also interested in the utilization of the river for the irrigation needs of the Hungarian Plain. Here, again, not much has been achieved by way of putting existing projects into practice.

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[1] All figures refer to 1936 statistics.

E. Yugoslavia's Interest in the Danube

Although bordering on the Mediterranean, Yugoslavia has depended more than the other riparian states on the Danube River system for transportation of its goods. The Danube flows through Yugoslavia for 591 kilometers of its length. Moreover, the Sava and Morava, as well as parts of the Drava and Tisza, drain large parts of the country, while there is no direct river outlet to the Yugoslav Adriatic. Shipping on the Danube and its tributaries accounted for approximately one-third of the imports and one-fifth of the exports in the country's foreign trade in 1938, and of the total amount of agricultural products transported, only 13 percent was by other than river shipping.

Agricultural products, timber, and mineral ores were the principal cargos carried by river shipping. Unlike Austria and Hungary, shipments exceeded receipts. The percentage of river transportation in the total traffic of the country was 12.3, the highest percentage of all Danubian countries. Of this river traffic, more than half was domestic, which, together with the fact that most of Yugoslavia's foreign traffic was also hauled by Yugoslavian boats, accounts for the fact that almost one-third of the total river traffic of the riparian states was under the Yugoslav flag. Most of its foreign traffic was with the two industrial countries, Germany and Czechoslovakia. Yugoslav ports received about one-fourth of the traffic handled in all Danube ports (more than half of this at Belgrade).

Prior to the war, Yugoslavia maintained the largest fleet of river boats in the Balkans, owned by a number of companies. This fleet was badly broken up after the country's occupation. A large part passed into Hungarian hands, while the Croatian "government," through a state-supported company in which the Göring concern had a minority interest, took over another part. Some smaller Serbian enterprises have survived, much dominated by

Hungarian interests. It can be expected that restored Yugoslavia will make strong efforts to regain its important pre-war position in Danube shipping. Its interest in an international regime may be enhanced by the necessity to do something about the problem of the Iron Gates passage, the perennial problem of Danube navigation, which for its solution requires financial and other collaboration with both riparian and non-riparian countries.

F. Bulgaria's Interest in the Danube

In the past Bulgaria's interest has been smallest of all riparian countries. As noted in Chapter II, only the minor northern part of Bulgaria is accessible to the Danube and there are few important towns in this area. Nevertheless, this area might well be expected to utilize the waterway more than it has. Port facilities could be more easily developed on the Bulgarian bank than on the opposite Rumanian bank.

Until the later 1930's Bulgaria had no Danubian fleet of its own. At that time, due to government initiative and probably with the encouragement of Germany under whose economic domination the country had fallen, a small fleet of Bulgarian boats was created. In 1942 this fleet was estimated to account for 1.5 percent of the total volume of Danube shipping. One of the Bulgarian navigation companies is under the control of Hungarian and Göring Combine interests.

While in the last decade Bulgarian trade was mainly directed upstream toward Germany and the German-controlled area, Bulgarian post-war interests in Danube shipping may be expected to be directed more toward the development of connections with Russia and other non-riparian countries. Her interest in technical improvements, under international guidance, of navigation on the Lower and Maritime Danube therefore may be considerable. The realization of the project of cutting a canal connecting the Lower Danube at Cerna Voda with the Black Sea at Constanta would improve Bulgarian connections with the sea by river. Pending the construction of this canal, Bulgaria, like all other riparian countries, would be interested in the improvement of navigation at the river mouths.

G. Rumania's Interest in the Danube

Rumania is the only one among the Danubian countries which, besides economic interests, has exercised strong political concern in the Danube. This superposition of political and economic factors makes Rumania's interests somewhat ambivalent. As possessor of the river mouths Rumania, since its emergence as an independent country, has been subject to restrictions of sovereignty on the Lower Danube due to the interests of the powers in this strategic part of the Danube.[1] While her economic interests would drive her into advocating internationalization, her interests as an independent country tend her to advocate that outside countries or international organizations have as little power as possible in that region. This latter contention would become stronger in view of Russian predominance in the Danube region, should such dominance leave Rumania a chance to act independently at all.

Rumania, exporting grain, timber, and oil (commodities eminently suitable for river shipping, both upstream and overseas) has a tremendous interest in the Danube River system, a position underlined by those countries which import her products. At the same time, technical problems of navigability have always been greatest in that part of the Danube which flows through or borders on Rumanian territory. These problems comprise the difficulties of passage at the Iron Gates as well as the complications connected with maintaining and improving the access to the Maritime Danube and its ports. Among the riparian states, Rumania has by far the largest portion of the Danube, although in more than half of the distance only the left bank is Rumanian. She used to have the largest percentage of fluvial traffic volume in goods tonnage, of which the major part was foreign traffic. In this foreign traffic to other riparian countries shipments were about seven times as large as receipts; main receiving countries were Czechoslovakia, Hungary, and Austria, while trade with Bulgaria and Yugoslavia was never well developed. Such shipments constituted about 43 percent of the total of fluvial shipments on the Danube. Rumanian ports handled about one-fourth of the total entering Danube ports. During the war movement of commodities upstream increased due to the deflection of overseas trade to Germany and German-controlled Europe. This has left Rumania with somewhat improved facilities on the river, including train ferries and enlarged oil shipping installations.

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[1] On the powers of the European Danube Commission see Chapter IV.

Rumania has never had a fleet corresponding to its share in both fluvial and maritime traffic. There are a number of shipping companies, the largest state-owned, whose fleet has not been much affected by the war. But the Rumanian share, particularly in the tonnage of seagoing vessels leaving the Danube, has been low, amounting in the period from 1921 to 1930 to only 7 percent, although all the trade was handled by Rumanian ports; Greece, Britain, and Italy, in this sequence, were most heavily represented in this trade. Most of this trade went through the "free port" of Sulina, situated on the neutralized river mouth. Because of the lack of inland (rail and road) connections, Sulina is mainly a port for transshipments.

In addition, there are difficulties of navigation in the Sulina channel. Unless the projected canal connecting the Lower Danube with Constanta should be built, Rumania will maintain an interest in an international organization that will assume the financial and technical burdens involved in the maintenance and improvement of the Maritime Danube. In addition, regardless of future developments of Danube traffic, the Lower Danube will retain its political importance because of the general strategic importance of the river mouths for all of Central Europe and Russia. Whoever dominates the Danube mouths is able to shut off access to the whole Danubian region by river and can possibly emerge from the river into the Black Sea in military strength. The traditional policy of the powers of not allowing a single nation to dominate this strategic point led to the device of the neutralization of the river mouths under international supervision, with light warships of the powers stationed near the mouths to enforce this regime. In spite of the infraction of her sovereign rights involved in this regime, Rumania's interest in the continuation of some such regime can be expected to continue and even increase, in view of Russia's predominance in the region and her possession of the northern shore of the river mouths through her annexation of Bessarabia.

H. Russia's Interest in the Danube

Among the big powers which can be expected to interest themselves in the Danube, Russia will certainly occupy a foremost place. This will not be due to the economic interests of the Soviet Union in the river or the region. In the past this interest was very small. The region's main products, grain, oil, timber, mineral ore, are duplicated in Russia's economy, and Russia's industry has not yet developed into an export industry. Therefore Russia never developed its own fleet of Danube river boats; only an annual average of 0.3 percent of the total tonnage of ships leaving the Danube was under the Russian flag in the 1920's. It is hardly to be expected that the Soviet Union will have much direct interest in Danube shipping in the post-war period. Even if the Soviet Union should undertake the creation of a large merchant marine after the war, it would seem more probable that tonnage would be for oceangoing shipping rather than for Danube river boats. There is a possibility that Russian interest in the exchange of goods with Danubian or other countries via the Danube system might be enlarged. During the short period of Russo-German "friendship," 1939-1941, the Danube route was used in the exchange of Russian agricultural products and raw materials against German industrial products. Under changed conditions similar trade relations might develop in the future, if not with Germany, possibly with Western European countries. Other less enduring interests might develop, too, if reparations in kind from Rumania and possibly Hungary and Germany were to be shipped to Russia by way of the Danube. Should the Danube-Rhine connection one day open access to the North Sea to Danubian shipping, Russia's economic interest in the Danube would of course increase.

On the other hand, Russia's political domination over a large part of the Danube region will be reflected in her interest in the Danube and any future international régime or regimes to be established or re-established for the river system. Even if Russia's direct economic interest in Danube navigation remains small, her interest in the countries of the Danubian region will indirectly establish Soviet interests in the river system and its use not only for navigation but possibly for hydraulic works, irrigation, and similar projects. For this reason, it can be expected that Russia will be interested in the establishment of some international organization charged with organizing and supervising navigation, necessary improvements, etc., and which would distribute the financial burden over a wider range of countries. Should Russia agree to the establishment of such an organization, she can be expected to insist upon membership in any body or bodies for reasons of prestige. If her attitude in the months after her acquisition of Bessarabia can serve as precedent, Russia may even desire to control the Maritime Danube exclusively or with the sole assistance of Rumania. At any rate she will be interested in preventing the Danube basin from becoming a potential base for military operations against herself, as it did after Germany denounced the river stipulations of Versailles and remilitarized the Danube with the establishment of a gunboat flotilla at Regensburg.

I. Britain's Interest in the Danube

British interest in the Danube has traditionally been strong; it could be formulated as basically economic, with ensuing political interest. It is true that, as in the case of the Dardanelles, interest in preventing the strategic Danube mouths from falling to any major power has been a traditional aim of her balance-of-power policy. But beyond this her main concern has been in developing trade with and investments in the countries of the Danube basin and to protect these interests by developing and controlling river shipping.

The principle of opening rivers to foreign commerce and shipping through internationalization of navigation by setting up international river commissions for its control was adopted in 1815 upon British initiative and again on British initiative applied to the Danube forty years later. Since then, British economic interest in the region developed. It assumed a twofold form: interest in the economy of the Danubian countries with which Britain exchanged foodstuff and raw materials against her industrial products, and in which she started to invest capital through loans and enterprises; and interest in Danube shipping as such, either through the presence of British boats carrying goods to, from, and on the Danube, or by investment in riparian navigation companies.

In 1936 ships under the British flag carried 3.1 percent of the total fluvial traffic, and her ships were second in maritime traffic; three British shipping companies carried about one-fifth of the total tonnage handled on the Maritime Danube during the period 1921-1930. Besides these direct interests, British capital participated in the Austrian Erste Donau and the Hungarian M.F.T.R., and invested in many smaller shipping companies. Some of these investments were disposed of in the 1930's and much has been lost in the war, through sequestration, expropriation, and similar measures. The British, incidentally, tried unsuccessfully to remove their boats from the Danube in the critical year 1940. After the war, therefore, claims for restitution or compensation may be expected. Moreover, Danube shipping companies quite generally may be in need of capital, which British interests might seek to provide. It will of course depend on Britain's general financial position after the war whether such capital will be available. It is likely that only a limited amount of excess capital for investments in the Danube will be available. On the other hand, Britain, in order to make her balance of payments meet, is likely to try to increase her exports, for which the Danube countries would offer a promising market, hitherto somewhat neglected. Because of such interests in navigation and export, the British can be expected to insist on the continuation of an international regime on the Danube and their participation in any organization or bodies set up for that purpose.

Thus, economic interests have led, and are likely to lead, the British to take a political interest in the Danube. After the last war Britain's main political interest, based both on her economic stakes in the Danube and her general European policy, was to prevent any one major power (Germany as well as France) from dominating the region, thus pursuing a kind of "open door" policy intended to maintain the independence of the various riparian countries. While her interest in maintaining such a situation may continue, her actual policy will be considerably altered because of Russia's new status, for it may be assumed that Russia will be conceded major parts of the Danubian region as her sphere of influence. It would not pay Britain to take a strong political line in an area in which she has minor strategic interests and where conflicts with Russia would be likely. Britain can be expected to renounce her political influence while trying to maintain her economic status in the region. The maintenance of an international river regime in whose organization Britain participates would constitute an obvious part of her policy.

J. France's Interest in the Danube

Unlike Britain, France's interest in the Danube has been political rather than economic, her strong financial and allied interests themselves being more or less founded in political aims and tendencies. In the inter-war period the Danube region was intimately bound up with the security scheme and alliance system the French tried to establish in order to prevent Germany's rising again to the status of a big power. Since up to the middle 1930's Russia was not acceptable as an ally, France tried to provide a substitute for the old Franco-Russian alliance in the form of strong ties with various Central and Eastern European countries, among them the states of the "Little Entente," Czechoslovakia, Yugoslavia, and Rumania. In exchange for these countries' diplomatic backing of Versailles, France became the guarantor of the status established in the Danubian region, in particular, the independence and military and economic power of the Successor States. Formal diplomatic pacts were reinforced by loans of French capital and investment of capital in armament enterprises, mining, railways, electrical power supply, banking institutions, etc., not only on the part of private French interests but also by the state itself. France also participated in international loans to Danubian governments. Consequently French commerce with these countries developed considerably, France taking mainly raw materials in exchange for manufactured goods.

Compared with these interests, France's interests in the Danube river as a channel for her commerce and merchant tonnage were relatively small. In contrast to Italian activities, little French capital was invested in shipping companies of the Danubian countries. One French company operated a river transport line, but the tonnage of its vessels constituted only a small fraction of the total: 2.5 percent of fluvial shipping, while 5.6 percent of outgoing maritime traffic was under the French flag. In spite of the relative smallness of these direct interests, France, in view of her larger politico-economic ties, took strong interest in the international control of the Danube by means of her membership on the two river commissions.

In the post-war period France's interest in the Danube may be expected to revive, although a certain lack of surplus capital and exportable goods is likely to limit it. Another, more political consideration will limit her influence, if not her interests. In view of Russian predominance it is unlikely that France will even attempt to restore the exclusive political ties which she formerly had with the Danubian countries. Any attempt to restore the strong financial and similar economic position which had been expressive of her political aims in the region would likewise

immediately be opposed by Russia. Any future economic penetration of the Danube region on the part of France will depend on Russian agreement, which, however, may be forthcoming if Russia is satisfied that the interests are economic and not political. France's interests in this respect will parallel those of Britain, and France can therefore be expected to seek British assistance in the promotion of her Danubian interests.

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